Repsol Sustainable Financing Framework

March 2025
(Update from March 2022)

First advanced biofuels plant in Spain, built by Repsol in Cartagena (C-43)

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Content

1. Introduction

Repsol, S.A. ("Repsol" or "We" or the "Company") is a global integrated energy company at the forefront of the international energy sector that uses innovation, efficiency and an inclusive and trust-based work environment to create sustainable value in the service of societal progress. We consolidate ourselves as a multi-energy company, leader on the Iberian Peninsula with more than 24 million customers, offering a global energy solution. We operate across 35 countries with a team comprising over 25,000 people who work on building a sustainable future.

Beyond providing traditional energy and gas, Repsol has been significantly increasing its focus on low-carbon generation business in recent years. This includes renewables and new growth platforms for industrials, such as hydrogen, advanced biofuels and synthetic fuels, as well as low-carbon geological solutions (such as carbon capture and storage) for Repsol's Upstream (Exploration and Production) business.

In December 2019, Repsol was the first company in the oil and gas sector to announce its commitment to become a net zero emissions company by 2050, which represented the start of its strategic reorientation. In November 2020, the Strategic Plan 2021-2025 (SP 21-25) was launched, showcasing the Company's transformation path for the coming years, as well as its ambitions for 2030. Finally, in October 2021, at the Low Carbon Day, the strategic objectives were updated, in a bid to accelerate the Company's transformation process.

Throughout 2023, after meeting most of the objectives set out in the SP 21–25, Repsol carried out a strategic reflection process that culminated in the publication of a strategic update for the 2024–2027 horizon (SP 24–27)[1]. This update reflects Repsol's approach to overcoming the energy transition following the decarbonization roadmap for the coming years but starting from a position of financial strength and having made significant operational progress during these three years.

In 2025, Repsol took an ambitious step by setting a gross target (excluding carbon avoidance or removals) against its absolute emissions across the full value chain of its sold products, encompassing scope 1, 2 and 3 GHG emissions[2]. Adding a gross absolute emissions target demonstrates our strong commitment to the Paris Agreement and addressing climate change in the near, mid and long term, complementing, and enhancing our 2024-2027 strategic plan. Repsol's past progress and future commitment to absolute targets inclusive of sales is an important step for the Company and the broader industry.

Energy plays a key role in enabling progress and improving social well-being. Technology and its industrial application have led us to have access to safe and affordable energy in much of the world today, but its production and use generate greenhouse gas emissions that contribute to climate change. Therefore, the energy sector faces an unprecedented challenge: decarbonizing the energy cycle while guaranteeing a reliable and affordable energy supply for the consumer.

Tackling climate change is a collective challenge that requires decisive action by energy producers and consumers, as well as international collaboration to accelerate the energy transition and reduce greenhouse gas emissions from oil and gas.

1 https://www.repsol.com/content/dam/repsol-corporate/en_gb/conocenos/repsol-2024-2027-infographic.pdf

2 Scope 3 GHG emissions include Category 11 (Use of Sold Products) which is the most significant area of impact for the oil and gas sector and comprises over 90% of Repsol's Scope 3 emissions.

Repsol's global and local sustainability plans

As part of our net zero 2050 target, Repsol set short and medium-term carbon reduction targets for 2025, 2030, and 2040. These targets serve as a roadmap for deploying local action plans in each country or industrial complex, considering the specific circumstances and needs of each location where we operate. In addition to our ambitious decarbonization reduction pathway, Repsol has also committed to methane emissions intensity and routine flaring targets.

Repsol's strategic update 2024-2027 commits to decarbonization across four main lines of work: upstream, industrial, customer, and low-carbon generation. This update explores a profitable energy transition, which prioritizes investments in the current integrated portfolio of quality assets and low-carbon initiatives, attractive shareholder remuneration, and the maintenance of financial strength. This strategic update sets an investment of between EUR16-19bn net[3] in four years, allocating more than 35% to low-carbon initiatives[4].

Sustainability is integrated across our four strategic priorities:

1. **Upstream:** Repsol creates low carbon solutions by reducing emissions and building a focused business. This includes accelerating asset de-carbonization, building a project funnel for Carbon Capture and Storage (CCS) and geothermal.
2. **Industrial:** Our highly competitive and resilient industrial system supports our ongoing low carbon transformation through the development of renewable fuels hubs and decarbonized operations.
3. **Customer:** Repsol has a proven capacity to develop innovative business models that drive growth and advantage, making Repsol Customer business the fastest growing power retailer in Spain and Portugal.
4. **Low Carbon Generation:** Repsol's fast growth of a sizeable and diversified portfolio has led to the generation of higher value across the portfolio, with the incorporation of wind, solar, and hydro.

3 Net Capex: Capex (already including subsidies) subtracting proceeds from divestments and asset rotations, and changes in debt perimeter due to project financing and portfolio management.

4 Low-carbon initiatives at Repsol are energy efficiency, renewable electricity generation, production and sale of biofuels, of renewable hydrogen, of synthetic fuels, of chemical products (long life polymers), circular economy projects, CCS; sale of renewable electricity, distributed generation, and other value-added services such as electric renewable mobility -- and investments in R&D and corporate venturing in low carbon technologies.

For Repsol, the energy transition can only be understood if it includes the principles of financial viability, efficiency, sustainability, and fairness and it must be achieved with solutions that bring about positive social and economic impacts on workers, local communities, and society in general – always being based on respect for human rights and paying special attention to the most vulnerable groups of people. This is stated in the Company's Sustainability Policy[5], existing since 2015 and last updated in 2022. Every year we develop a Global Sustainability Plan (GSP), that sets ESG goals in the context of a multi-year strategy that considers our contribution to the United Nations 2030 Agenda and its 17 Sustainable Development Goals. The 2025 Global Sustainability Plan sets out 78 objectives in the short and medium term.

Repsol supports the United Nations Agenda 2030 for Sustainable Development and contributes to the Sustainable Development Goals (SDGs), taking them as a reference to define our sustainability priorities. This prioritization has been established considering the SDGs to which we can contribute most as a company concluding that most of our Agenda 2030 contribution is and will be focused on the seven SDGs listed below. In 2024, we published our sixth SDG Report[6]. In this report, which we publish annually, we show examples of our contribution to the 2030 Agenda at a global and local level, through specific indicators and projects.

On SDGs 7, 8 and 13, we aim to provide access to energy, contribute to socioeconomic development and mitigate the effects of climate change. We are also committed to sustainable water management (SDG 6), innovation (SDG 9) and efficient use of resources (SDG 12) in our operations. We recognize that collaboration between all of us is essential to achieve these commitments (SDG 17).

5 Repsol Sustainability Policy: https://www.repsol.com/content/dam/repsol-corporate/en_gb/sostenibilidad/policies/sustainability-policy.pdf

6 Repsol, 2023 SDG Report (in Spanish and English): https://www.repsol.com/content/dam/repsol-corporate/es/accionistas-e-inversores/pdf/base-prospectus-registrado-10-abril-2024.pdf

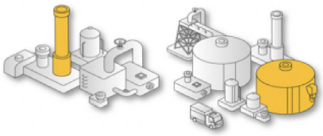
2. Repsol's ambition

Repsol's energy transition strategy is supported by the vision of achieving net zero emissions by 2050[7], while providing affordable and safe energy to society, thus contributing to the global aim of achieving carbon neutrality[8]. The Company's decarbonization targets include all emissions arising from production to the final consumption of the primary energy that it produces as well as the global products that is sells. Technological development will play a key role in achieving emissions neutrality and shaping the energy system of the future. The main drivers of Repsol's decarbonization are:

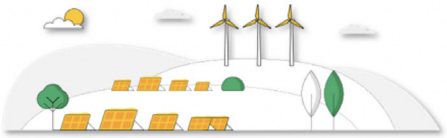
- For our current operations, energy efficiency, reduction of direct emissions, and asset portfolio optimization.
- Renewable electricity generation.
- Renewable liquid and gaseous fuels.
- Carbon capture, use, and storage.
- Multi-energy provider.

In the short and midterm to 2030, the decarbonization pace is determined by the Company's strategic plan, now updated with a focus on the period 2024-2027; this period offers greater visibility on external environment conditions and the allocation of capital to specific projects. In the longer term (beyond 2030 to 2050), Repsol uses global and regional energy demand scenarios to explore possible decarbonization paths, considering the uncertainties of the energy transition related to factors such as the pace of technological development, regulatory advances or the energy needs and habits of consumers.

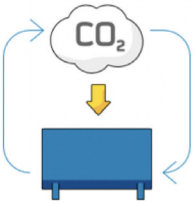
Carbon reduction in exploration and production and industrial operations



Conventional and renewable fuels (advanced biofuels, synthetics, biogas and hydrogen)



Renewable power generation (wind, solar, hydro)



Carbon capture, use and storage

Multi-energy for our clients (electrons and molecules)

7 Measured in accordance with the new absolute scope 1, 2 and 3 gross GHG emissions objective, and our Carbon Intensity Indicator (CII) methodology (see Section 3.3 Reduction of Carbon Intensity.)

8 The objective of achieving carbon neutrality is to achieve a balance between anthropogenic emissions from sources and anthropogenic removals via sinks in the second half of the century, all on the basis of equity and in the context of sustainable development and eradicating poverty, as established in article 4.1 of the Paris Agreement.

2.1 Scenarios informing Repsol's Net Zero Ambition

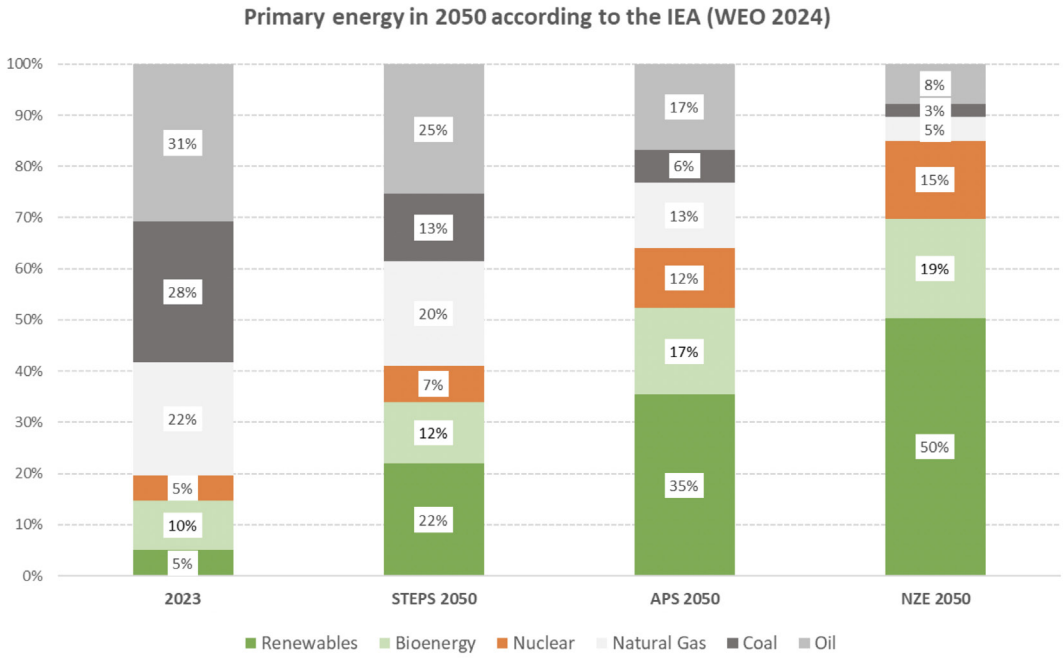
With a more complex and fragmented geopolitical landscape, the current context has led to greater attention being paid to energy security, access to affordable energy, industrial competitiveness, and decarbonization as key objectives for an orderly and just transition. For this decade, Repsol is establishing the bases and assumptions for its strategy (prices, demand, regulatory context, etc.) based on references that include the consensus of analysts and institutions, regulations of the countries where it operates, and its own vision of the pace of the energy transition. In the longer term, given the uncertainty with regard to the pace and direction of the energy transition, scenario analysis based on different assumptions about changes in the energy and climate context (demand for oil, gas and renewables, changes in technologies, climate policies, physical impacts of climate change, etc.) will become particularly important.

Repsol considers different scenarios to test the resilience of the Company's strategy to the financial risks arising from climate change and the necessary transition to a decarbonized energy mix. The aim is not to determine which scenarios are more or less likely, but rather to evaluate how the Company would achieve its objectives if the reference climate scenarios materialized. Specifically, the Company has adopted the scenarios outlined in the International Energy Agency's (IEA) World Energy Outlook (WEO) and those of the Intergovernmental Panel on Climate Change (IPCC) as references to guide its long-term forecasts. The IPCC scenarios for the short term (2030) and IEA scenarios for the long term (2050) are complementary:

- IPCC scenarios, particularly C1 pathways aligned with 1.5°C, provide detailed and scientifically robust projections for near-term emission reductions and fossil fuel production. Thus, they serve as the most viable and appropriate for Repsol, within the context of Repsol's technology levers.
- IEA scenarios, like NZE, APS, and STEPS, focus on long-term structural changes in the energy system.

Combining the IEA and IPCC scenarios ensures Repsol's strategy is both scientifically grounded and aligned with operational and market realities.

In the case of Europe, where Repsol has most of its industrial assets (refining and chemicals) and commercial assets in Spain and Portugal, the demand scenario for final energy products that the Company projects is determined by the European Green Deal/ European Climate Law and its related legislative package, i.e. Fit for 55 and European Commission's Repower EU plan[9], with respect to transport and industry.



9 Joint European action on renewable energy and energy efficiency.

IEA scenarios offer different combinations of primary energy sources for the year 2050 and in all of them oil and gas are still present in the energy matrix in the year 2050 and beyond, although in decreasing proportions when compared to the current situation (8 to 25% for oil, and 5 to 20% for natural gas). It is noteworthy that the IEA states that its NZE scenario represents one of the multiple possibilities that can be foreseen to achieve the goal of not exceeding +1.5ºC global warming.

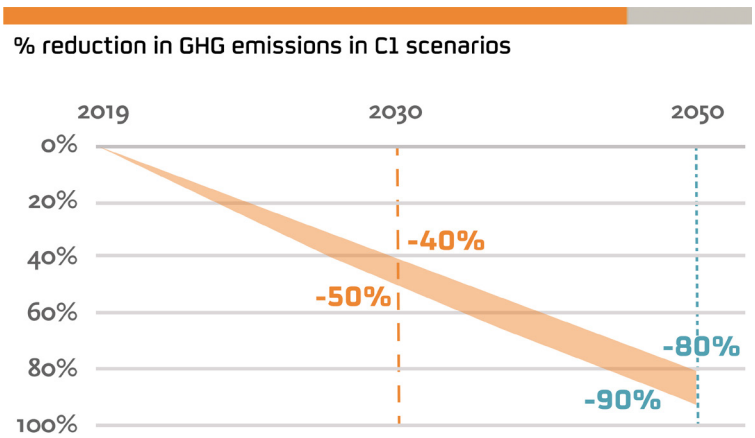
Other widely recognized climate scenarios are those described by the Intergovernmental Panel on Climate Change (IPCC). Its Sixth Assessment Report (AR6), published in 2022, documents over 200 scenarios compatible with limiting the temperature increase to 1.5ºC by 2100, of which 28 achieve carbon neutrality by 2050, and the rest at a later date. All IPCC scenarios use a range of energy decarbonization levers in different proportions, such as energy efficiency, methane emission reductions, renewable power, end-use electrification, low- and zero-carbon fuels, CCS, nature-based solutions, and changes in consumption patterns. Notably, the IEA's Net Zero Emissions (NZE) scenario places a greater emphasis on renewable electrification compared to many IPCC scenarios, which often consider a broader mix of levers such as renewable fuels and CCS.

2.2 Consistency with 1.5°C pathways

Repsol's strategic approach to the energy transition and its alignment with the goal of limiting global warming to 1.5ºC above pre-industrial levels is firmly grounded in scientifically defined principles of climate change. According to the IPCC, there are multiple pathways to achieve the Paris Agreement's objectives, each with varying implications for regions, industrial sectors, and energy sources. The IPCC develops global climate scenarios using data compiled by the International Institute for Applied Systems Analysis (IIASA)[10].

These scenarios encompass emissions from all sectors, including AFOLU (Agriculture, Forestry, and Other Land Use), and all primary energy sources such as coal, oil, gas, nuclear, and renewables. This comprehensive scope allows for a holistic understanding of global emission pathways.

In line with the CSRD's[11] recommendations and stakeholder expectations, Repsol has focused its analysis on C1 scenarios[12], which limit global warming to 1.5ºC with no or limited overshoot. These scenarios reveal a global GHG emissions reduction of 40–50% by 2030, consistent with the 45% reduction cited in climate literature. However, emissions reductions vary significantly by energy source. For instance, by 2030, coal emissions decline by 75%, while oil and gas emissions see a more modest reduction of 10%, reflecting the distinct roles of different energy sources in global decarbonization.

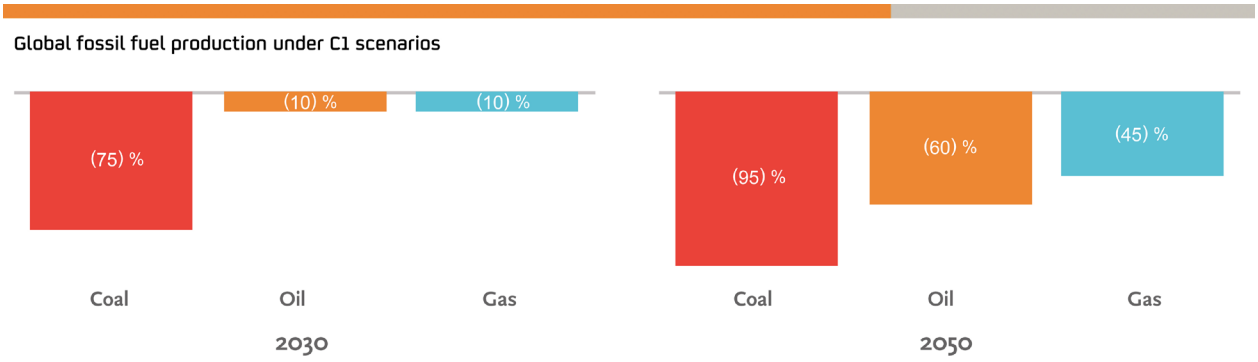


Source: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (Table 3.2 and 3.6). IPCC, 2022.

10 IIASA: International Institute for Applied Systems Analysis.

11 CSRD: EU Corporate Sustainability Reporting Directive.

12 C1 scenarios: limits warming to 1.5ºC in 2100 with a likelihood greater than 50%, with no or limited overshoot throughout the 21st century.



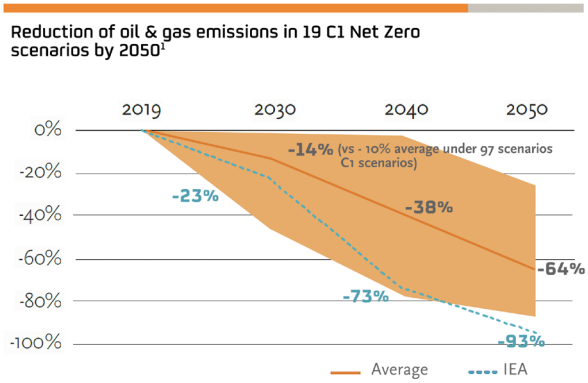
Source: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (Table 3.2 and 3.6). IPCC, 2022.

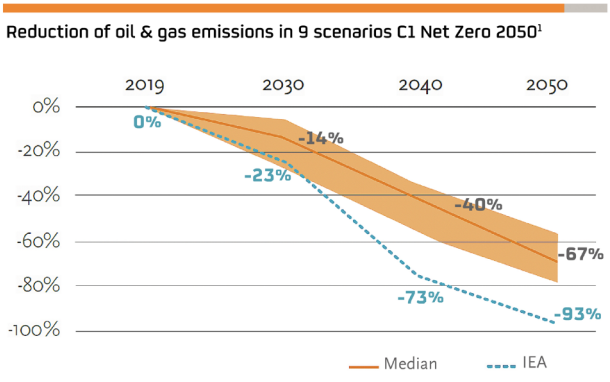
It is essential to note that not all countries, sectors, or companies will achieve the same rate of emissions reduction, as outcomes depend heavily on the composition of their energy mix. For instance, Repsol, as an oil and gas company, does not rely on coal for its operations. Consequently, its decarbonization efforts align with the 10% reduction in oil and gas production projected by 2030.

Moreover, not all C1 scenarios achieve net zero emissions by 2050. Only 19 of these scenarios come close to reaching NZE, defined as a net emissions reduction of over 95% in the energy sector by 2050 compared to 2021 levels. Within these NZE scenarios, the projected reduction in oil and gas emissions increases to 14% by 2030 compared to 2019

The IEA's NZE scenario, as detailed in the *World Energy Outlook 2024 (WEO 2024)*[13], demonstrates similar trends, with coal emissions decreasing by 44% and oil and gas emissions falling by 23% by 2030.

Finally, certain constraints were applied to filter the scenarios based on technical considerations. For instance, scenarios projecting a CCS deployment above 1.5 $GtCO_2$ within this decade—exceeding what is currently feasible under existing technological and policy frameworks—were excluded. Additional criteria included limited nuclear energy availability and carbon pricing assumptions below \$750/t CO_2 by 2050. After applying these filters, only nine scenarios remained viable[14]. Despite these stricter criteria, the reduction in oil and gas emissions by 2030 still reflects a consistent 14% decrease compared to 2019 levels.





Source: By the authors, based on data from the IPCC and the IEA.

[1] The median is the middle value of an ordered dataset, representing its central point. The shading area shows the maximum and minimum values of the IPCC scenarios considered.

13 https://www.iea.org/reports/world-energy-outlook-2024

14 https://data.ene.iiasa.ac.at/ar6/#/login?redirect=%2Fworkspaces

3. Repsol's decarbonization targets

The Company's decarbonization goals are summarized below:

Repsol's decarbonization targets

		Base year		2024	2025	2030	2040	2050
Absolute emissions Scope 1+2+3[1]	Mt CO_2e	2018	224	-13.8% (193 MtCO_2e)		-20% (179 MtCO_2e)		NZE[2] (19 MtCO_2e)
Operated Emissions Scope 1+2[3]	Mt CO_2e	2016	25.4	-45% (14 MtCO_2e)		-55% (11 MtCO_2e)		NZE (2 MtCO_2e)
Carbon Intensity Indicator (CII)[4]	G CO_2e/MJ	2016	76.8	-13.4% (66,5 gCO_2e/MJ)	-15%	-28% (55 gCO_2e/MJ)	-55%	NZE (7,7 gCO_2e /MJ)
Methane emissions intensity[5]	%; m^3/m^3	2017	1.34	0.12	0.2	Near zero[6]		
Routine flaring [7]	Kt CO_2e	2018	344	-72% (95 ktCO_2e)	-50% (172 ktCO_2e)	Zero		

[1] The absolute gross emissions reduction target of Scope 1, 2 and 3 covers 91% of the company's total GHG emissions.

[2] NZE: Net zero emissions, considering the neutralization of residual emissions (only in 2050).

[3] The Scope 1+2 Absolute Gross Emissions Reduction Target includes 100% of emissions from operated assets.

[4] The Carbon Intensity Indicator (CII) includes in its numerator the operated emissions under Scope 1 and 2, as well as the Scope 3 emissions of categories 11, 12 and 1 related to the primary energy produced by the company. The CII covers 43% of the Company's total 2024 emissions.

[5] The methane emissions intensity objective applies to E&P operated assets.

[6] Committed to the Oil & Gas Decarbonization Charter (OGDC) announced at COP28.

[7] The routine flaring objective applies to E&P operated assets.

Repsol has decided to frame its global objective of achieving net zero emissions and its interim targets based on two complementary KPIs:

- An Absolute scope 1,2 and 3 GHG gross emissions (based on sales) KPI that includes all emissions associated to the use of sold products, used by Repsol to measure its impact on climate change from a value chain perspective.
- A Carbon Intensity Indicator (CII) that considers the energy and emissions associated with the use of energy products derived from its primary energy production (limited to E&P production), considered by Repsol as the most appropriate and representative metric to measure the impacts of its decarbonization levers.

Both complementary metrics will measure the progress towards Repsol carbon neutrality by 2050.

Repsol will now have two scope 3 indicators, based on both primary energy production (Carbon Intensity Indicator) and sales (absolute scope 1, 2 and 3 gross emissions), which will impose additional conditions to prove its net-zero credentials. While the CII KPI reflects more the governance of its transition strategy and decarbonization levers, the new absolute scope 1, 2 and 3 emissions KPI reflects the impact of Repsol's activities on climate change.

Repsol is considering scope 3 emissions calculation with different applicable perimeters (E&P production based vs. sales based) in order to take into account various aspects of GHG accounting:

- Hydrocarbon production is the most capital-intensive activity and the one with the longest investment life cycle in the entire value chain. Today's investment decisions are reflected in production and product use many years later. Marketing, on the other hand, is much less capital-intensive and more easily adaptable to demand over the short term.
- Repsol considers that disclosing emissions from products sold can provide a useful vision to better understand its energy transition strategy.

3.1 Reduction of absolute Scope 1+2+3 gross emissions

By 2030, we aim to reduce our absolute scope 1, 2 and 3 gross GHG emissions by 20%, compared with our 2018 baseline.

In February 2025, Repsol defined a **new scope 1, 2 and 3 absolute emissions reduction** target (scope 3 based on sales, excluding avoided emissions).

This new absolute gross scope 1, 2 and 3 GHG emissions KPI includes the following in its scope:

- 100% of gross operational basis scope 1 and scope 2 GHG emissions.
- Scope 3 emissions category 11 – this is the most significant for the company and the oil and gas sector. As of 2024, this category represents more than 90% of the company's scope 3 emissions.

The company aims to reduce this new KPI by 20% by 2030 (compared to 2018) and to achieve net zero emissions by 2050.

3.2 Net zero emissions by 2050 - scope 1+2

By 2050, we aim to reduce net zero scope 1+2 emissions on an absolute basis across all our operations.

In 2023, Repsol set a target of achieving net zero emissions in line with the commitment of the Oil & Gas Decarbonization Charter (OGDC)[15] announced during COP28, which includes scope 1 and 2 GHG emissions on a gross operational basis from Repsol's hydrocarbons development and production, transformation, and commercialization activities.

In 2021, Repsol had already established the goal of reducing its Scope 1+2 emissions by 55% by 2030 compared to 2016. Significant progress to 2024 (45% reduction) has been driven by a reduction of operated hydrocarbon production from the most carbon intensive assets and operational emission reduction plans (energy efficiency in all operations, and methane emissions and routine flaring abatement in E&P).

Repsol deploys multi-year emission reduction plans with measures to improve operational efficiency across all operated assets. The first plan was launched in 2006. A plan for the period 2021-2025 is underway with the aim of achieving a reduction of 1.5 Mt CO_2e in 2025 vs. 2020. including electrification projects, energy integration, process optimization, and reduction of methane emissions.

Oil&Gas Decarbonization Charter at COP28

50 companies, representing more than 40% of world oil production, have joined the OGDC, as launched at COP28. National oil companies (NOCs) account for mores than 60% of the signatories, wich is the largest number of NOCs committed to a decarbonization initiative. This covers more upstrean emissions than any other voluntary initiative.

Signatories have committes to net-zero operations by 2050 at the latest, to end routine gas flaring and to cut methane emissions to near zero by 2030.

They agree to continue working towards industry best practices in reducing emissions, alongside a series of key actions such as: investing in low-carbon energy, increasing transparency and communication, applying industry best practices in emissions reduction, and reducing energy poverty.

https://www.cop28.com/en/news/2023/12/Oil-Gas-Decarbonization-Charter-launched-to-accelerate-climate-action.

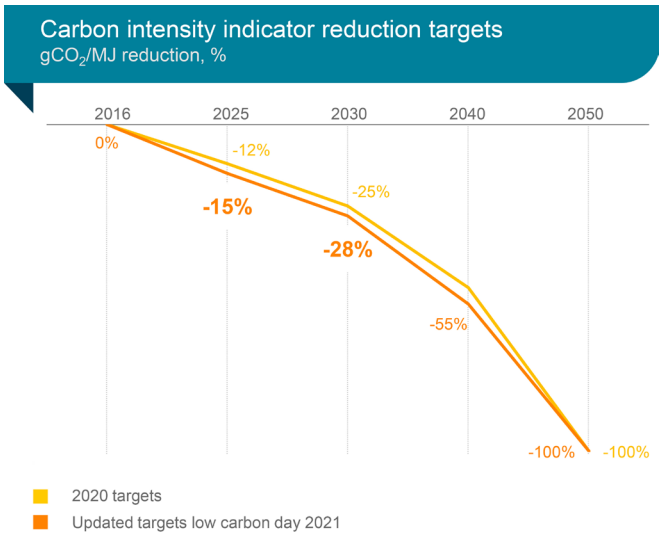
15 https://www.ogdc.org/

3.3 Reduction of carbon intensity

By 2050, we aim to reduce the carbon intensity of the energy we produce to a net zero.

Repsol has defined its **Carbon Intensity Indicator** (CII) in g CO_2e/MJ as a key metric for monitoring and steering the Company's progress towards the net zero emissions target by 2050, when a 100% reduction in CII is to be achieved. It is a metric that includes in the numerator GHG emissions scope 1 and 2 (operational basis) and scope 3 (category 11, equity E&P production basis), and in the denominator the energy supplied by the company to society (equity production basis).

Since the announcement of the first decarbonization pathway in December 2019, Repsol has twice increased its objectives (November 2020 and October 2021), with these objectives today being established at a 15% reduction of the CII by 2025, 28% by 2030, and 55% by 2040, aiming to reach 100% by 2050.



In addition, Repsol updated its CII calculation methodology in February 2025 in order to:

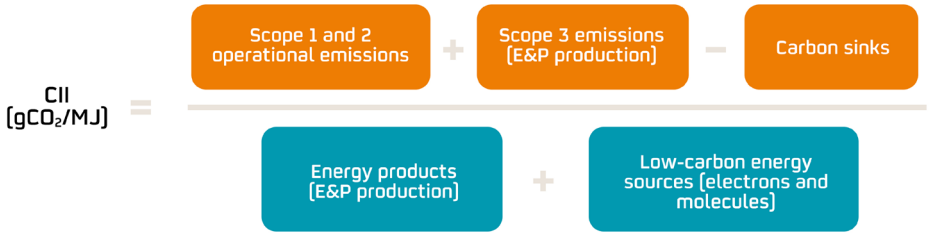
1. Reinforce the consistency between financial & non-financial reporting metrics.
2. Exclude the avoided emissions to fulfil stakeholders'[16] expectations and align with most sector standards.
3. Limit the use of carbon sinks.

For greater homogeneity of financial and nonfinancial information by business segment, the Company's perimeter for calculating energy production and Scope 3 emissions has been aligned with the financial consolidation criteria used by the Company, meaning:

- Companies/assets controlled by Repsol: 100% of energy production and Scope 3 emissions (category 11) are accounted for.
- Companies/assets under joint control: Energy production and Scope 3 emissions (category 11) are accounted for in proportion to Repsol's percentage of ownership.
- Shareholdings in companies/assets in which Repsol does not have joint control or control, as it is a mere financial participation: Energy production and Scope 3 emissions (category 11) are not counted. As of today, Repsol does not have assets under this category that should be considered for the calculation of the CII.
- Scope 1+2 emissions maintain industry practice of reporting 100% of emissions under operational control.

16 Investors, analysts, prescribers, market participants, methodology standardization bodies.

CII updated methodology:



The numerator of the CII includes:

- **Scope 1 + 2 operational:** direct and indirect emissions from the E&P, Refining and Chemicals assets and electricity generation operated by Repsol. For Scope 2 emissions, the "market-based" approach corresponding to the energy mix of the suppliers of steam and electricity is considered.
- **Scope 3 O&G (E&P production):** emissions associated with the use of products that can be obtained from Repsol's oil & gas production. For its oil production, emissions correspond to the use of products that would be obtained from Repsol's refining and chemical processes scheme (category 11). For its natural gas production, all emissions resulting from its combustion are counted (category 11). In addition, emissions from third-party hydrogen plants that supply the company's refineries (Category 1) are included, as well as emissions from final disposal after the use of chemical products (Category 12).
- **Carbon Sinks:** Emissions stored in the case of implementing levers such as carbon capture, use, and Storage (CCUS) directly managed by the company. Repsol's decarbonization pathways do not consider the use of carbon credits unless no energy solution is considered as feasible. No carbon credits have been included in our decarbonization pathway for this decade and their use is only considered long term to achieve net zero by 2050.

The denominator represents the energy that Repsol makes available to society as end products derived from the production of primary energy from oil and gas and from low carbon energy sources:

1. **Energy products (E&P production):** This includes the energy related to the production of oil and natural gas. For oil, since we operate an integrated value chain, the energy from the products generated in our average Refining and Chemicals processes is included. For Chemicals and other non-energy products (such as lubricants, asphalts, and others) **the energy contained in the oil used in their production is accounted for**. In the case of natural gas, since we do not have our own integrated value chain, only the energy content of the produced gas is included.
2. **Low-Carbon energy sources (electrons and molecules):** This includes the energy from renewable (solar, wind, and hydro) and non-renewable (natural gas for combined cycle and cogeneration surpluses) electricity generation sources, as well as renewable fuels (such as renewable hydrogen, biomethane, biofuels, and synthetic fuels). Renewable electricity energy is accounted for using the substitution method, which calculates it as the equivalent amount of non-renewable energy required to produce the same electricity. Specifically, the reference unit is the energy needed to generate an identical amount of electricity in conventional thermal power plants, ensuring consistent and comparable assessments of energy contributions.

The role of carbon credits

Repsol's decarbonization strategy prioritizes avoiding and reducing its own emissions and those in its value chain, always in conjunction with technology.

However, technological development and regulatory support might not keep pace with long-term decarbonization needs, leading to the need to use carbon credits.

Repsol's decarbonization strategy does not currently contemplate the use of carbon credits until 2030. Shoukd offsetting become necessary in the future, Repsol will guarantee high quality and integrity of the carbon credits, sourced primaruly from the development of natural climate solutions (NCS).

Where appropiate, the company would report on the use of these credits in a transparent manner, reinforcing its commitment to sustainability and emissions reduction.

3.4 Near-Zero Methane emissions

Repsol has set the target of reducing methane emissions intensity to 0.20% by 2025 for its operated E&P assets, a value recognized as of operational excellence for the oil & gas sector by international organizations such as the United Nations Environment Programme (UNEP), the **Oil & Gas Methane Partnership 2.0 (OGMP 2.0):**

- UNEP launched the OGMP 2.0 initiative in 2020, now with more than 130 signatory companies throughout the entire gas value chain (from production to distribution). In November 2024, the International Methane Emissions Observatory (IMEO)[17] published its report and Repsol has obtained the Gold Standard reporting for all its operated assets and is on track to achieve the Gold Standard reporting in 2025 for its non-operated assets.

Repsol participates as well in other collaborative initiatives on methane abatement:

- Aiming for Zero Methane Emissions, part of the Oil & Gas Climate Initiative (OGCI), which includes the "Satellite Monitoring Program", which collects data on methane plumes with high-resolution technology and shares this information with local operators to help them identify and mitigate emission sources.
- Oil & Gas Decarbonization Charter (OGDC), an initiative announced at COP28 which includes the commitment to achieve near-zero methane emissions by 2030.
- Methane Guiding Principles (MGP)[18], of which Repsol is a founding member. MGP – along with IOGP, OGCI, and EDF – aims to share experiences to help companies reduce methane emissions and gas flaring.

Repsol has implemented during the last years technologies and best-in-class solutions to measure, monitor and abate methane emissions, such as satellite, light aircraft, and drone detection, and LDAR (Leak Detection and Repair) programs.

As a result, **in 2024, the methane intensity was 0.12%**, lower than the target, although work continues on better identification and quantification of losses.

To consolidate the achievement of the 0.2% target, it will be necessary to further improve detection and implement additional measures already planned.

3.5 Zero Routine Flaring

Flares are a key element for safety and environmental protection in E&P facilities. However, routine flaring from these devices must be reduced as much as possible. Since 2016, Repsol has adhered to the World Bank's Zero Routine Flaring by 2030 initiative, in the pursuit of technically and economically feasible solutions to avoid routine flaring as soon as possible and no later than 2030. Repsol has also established the intermediate objective of reducing routine flaring in operated E&P assets by 50% in 2025, vs. 2018.

By 2024, emissions from hydrocarbons sent for routine flaring have reached 95 $ktCO_2e$.

17 https://www.unep.org/interactives/eye-on-methane-2024/
18 https://methaneguidingprinciples.org/

4. Repsol's decarbonization pillars

In this decade and until 2030, Repsol will follow a decarbonization pathway that is driven by specific business metrics proposed in its strategy update publicly presented to the capital markets in February 2024. The main operational metrics that support the decision to reaffirm our 2025 and 2030 decarbonization objectives are:

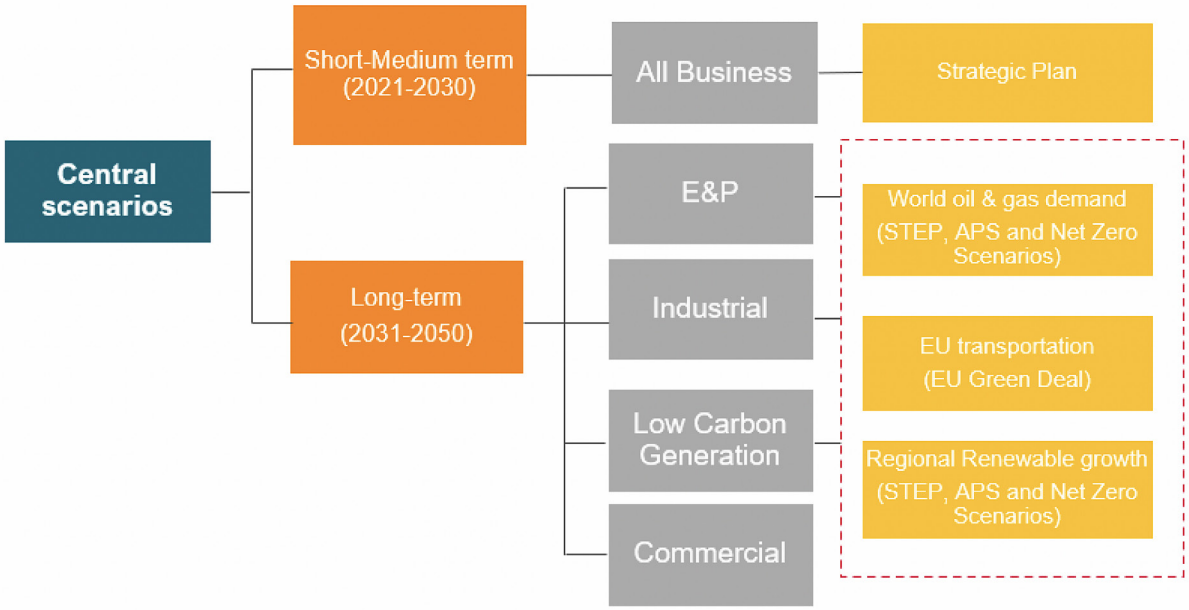
Operational metrics that support descarbonization objectives

	2024	2027	2030
Installed renewable energy capacity[1] (GW)	3.7	9-10	15-20
Renewable fuel production capacity (Mt)	1.25	1.5-1.7	2.2-2.4
Renewable hydrogen (GWe)[2]	0[3]	0.5-0.7	1.6-2.2
Biomethane (TWh)	0	1.3-1.5	2.1-2.3
Sustainable materials (kt)	12.2	65-105	150-200

(1) Gross capacity.
(2) Electrolyzer capacity with offtake rights, plus renewable hydrogen using biogas as feedstock.
(3) Repsol commissioned a 2.5 MW electrolyzer at the Petronor industrial complex in October 2023.

2024 Data Projections

In the longer term (2031-2050), Repsol's decarbonization pathway is based on company projections consistent with energy demand assumptions (oil, gas, renewables) of the IEA reference scenarios. As our industrial and commercial activities are located in Iberia, product demand assumptions are those implicit in the European Union Green Deal objectives and related regulatory packages.



This analysis is detailed by business segment below:

4.1 Exploration and Production

The energy transition and its impact on the evolution of supply and energy demand have a direct impact on the Exploration and Production business.

Until 2030, our E&P strategy focuses on optimizing the asset portfolio, prioritizing the development of assets in operation and proven reserves available, with a focus on economic value and lower carbon intensity over volume. This implies a greater geographic concentration and reserve development projects that make economic sense at moderate oil prices. Hydrocarbon production in this period will be in the range of 550-600 kboed, compared with a maximum production of 709 kboed in 2019. Natural decline and some divestments will be offset by the development of reserves and contingent resources already discovered.

Reducing emissions from operations remains a top priority to maintain emissions intensity in the first quartile of the E&P sector, after a reduction of 75% from 2016 levels to <15 $kgCO_2e$/boe in 2023 and aiming to reduce carbon intensity in the coming years to 10 $kgCO_2e$/boe in 2027, in accordance with the Company's Strategic Update.

Progress continues to reduce emissions with the objective of consolidating methane emissions intensity below 0.2% and routine flaring emissions by 50% by 2025.

From 2030 onwards, a decline in hydrocarbon production is anticipated, consistent with the central scenarios. This decline is even more pronounced for Repsol than the global decline envisaged in the IEA scenarios due to a greater share of lower-cost hydrocarbons of national oil companies, resulting in additional incentives for Repsol in meeting its decarbonization goals.

By 2050, hydrocarbon production is estimated at 400-450 kboed (STEPS scenario), 250-300 kboed (APS scenario), and less than 100 kboed (NZE scenario). This latter case contemplates a decline resulting from the depletion of assets in operation by 2030, assuming that no new developments are undertaken from that time on.

On the other hand, Repsol's energy transition strategy also envisages CCS projects. These projects will contribute to reducing the Company's operational emissions as well as provide CCS services to industrial sectors with hard-to abate emissions. During this decade, Repsol's Sakakemang CCS project in Indonesia is planned to store carbon associated with natural gas production with the injection of approximately 0.5 Mt of CO_2 per year starting from 2028. Repsol is exploring other opportunities, obtaining licenses, and taking part in storage consortia. No further positive impact in CII and GHG emissions reduction has been factored till having more visibility on the execution timeline of these potential projects.

Low Carbon Solutions

Reduce emissions and build a fosucsed business

- Accelerate asset de-carbonization
- Build project for CCS and geothermal
- Consolidate capabilities

4.2 Industrial

The industrial business (refining, chemical, renewable fuels, and circular products) depends largely on European and national regulations and the subsequent adaptations to demand trends for energy products. The European Union, with its Fit for 55 legislative package and REPower EU plan, has taken steps towards becoming the first carbon-neutral continent, implementing regulations that promote electrification, renewable liquid and gaseous fuels, including hydrogen, and the recycling of used products. Transport regulation and the pursuit of low-emission mobility solutions are of special relevance to Repsol.

The demand for mineral fuels from oil will progressively decrease due to improvements in energy efficiency and the gradual substitution by electricity and renewable fuels (advanced biofuels, biomethane, hydrogen and synthetic fuels).

The competitiveness of Repsol's refineries (in the first quartile in the EU in terms of economic margin) positions them favourably for a transformation aligned with demand trends, in which circular economy will play a key role, with the use of organic waste as a feedstock to produce renewable fuels and the recycling of plastics.

During this decade, Repsol's refineries activity will remain high, with a reduction in crude oil processing by the end of the decade of 10-15% compared to 2019, while production of renewable fuels will simultaneously increase.

By 2030, the Company is expected to produce 2.2-2.4 Mt/yr of biofuels, 2.1-2.3 TWh of biomethane, and 0.7-1.2 GWe of renewable hydrogen in its European market.

By 2030, Repsol will produce 150-200 kt of circular materials from biological or recycled origin at its petrochemical plants. In the longer term, a reduction in crude oil distillation of up to 85-95% is foreseen by 2050, which is expected to be offset by an increase in production of renewable and synthetic fuels which would make up 75- 85% (expressed in energy terms) of the total fuels production of the Company's industrial business by 2050.

4.3 Renewable energy

Since the start of this activity in 2018, Repsol has developed a portfolio of renewable energy projects (wind, solar, and hydro), with an operational installed capacity of 3.7 GW in 2024 and is progressing towards a 9-10 GW target by 2027 (45% solar, 50% wind and 5% hydro), prioritizing developments in Spain and the US. Installed capacity will increase to 15-20 GW by 2030.

In the longer term, renewable generation is foreseen to be the fastest growing business, in accordance with the regionalized demand forecasts of the IEA scenarios. By 2050, Repsol would reach an installed capacity of 40-45 GW under the APS scenario and 50-55 GW under the NZE scenario.

4.4 Multi-energy for customers

Repsol is moving towards a multi-energy model, focused on the supply of different energy sources to adapt to the needs of its customers and to European decarbonization objectives. Repsol is a major player when it comes to liquid and gaseous fuels in the Iberian Peninsula, to which it is adding the supply of renewable fuels, residential and mobility electricity, and other low carbon products. The Company currently offers 100% renewable fuel at more than 800 service stations, with a target of reaching 1,500 by the end of 2025. Looking further ahead to 2027, 60% of its service stations are expected to be adapted to the multienergy model, thus offering renewable fuels and fast or ultrafast electricity charging infrastructure, alongside conventional fuels. The Company also happens to be developing the sustainable aviation fuel (SAF) market and already has a 100% renewable fuel production plant at its Cartagena refinery, with the capacity to meet the SAF percentages required by the EU ReFuel Aviation regulation through 2030.

5. Capital allocation

To carry out its decarbonization strategy, Repsol's Strategic Plan 2024-2027 devotes more than **35% of net investments**[19] **to low-carbon businesses**, which represents a net investment volume of more than €5,600 million, of which up 71% corresponds to renewable electricity generation.

Repsol classifies the following investments as low carbon: energy efficiency, renewable electricity generation; production and sale of biofuels, renewable hydrogen, synthetic fuels; chemical products (long life polymers); circular economy projects, CCS and geothermal, sale of renewable electricity, distributed generation, and electric renewable mobility, and investments in R&D and corporate venturing in low carbon technologies.

Of the low-carbon investments defined above according to Repsol's criteria and included in the 2024-2027 Strategic Plan, approximately 90% is aligned with the criteria of the European Sustainable Finance Taxonomy (calculated following the Company's segment reporting criteria).

For the 2025-2030 horizon, Repsol expects gross investments in low-carbon activities of €17-22 billion, which will be modulated according to the macroeconomic scenario, the trend in technologies and regulation, the maturity of the projects and the progress in asset rotation and planned divestments. The 2024 gross low-carbon investments represent more than 40% of the Company's total gross investments and the estimated investments for the 2025-2030 period are allocated as follows (table below):

Distribution of gross low-carbon investments

	2024	2025- 2030
Renewable energy generation and marketing	83%	55%-75%
Production and marketing of renewable fuels	5%	20%-35%
Energy efficiency and electrification	4%	2%-5%
CCS	1%	3%-8%
Others (chemical products, renewable electric mobility, R+D and CV in low-carbon technologies, etc.)	7%	0
Total gross low-carbon investments	**100%**	

For the 2030-2050 period, Repsol estimates that capex allocation to low-carbon projects under the different scenarios analysed will be as follows:

Projected % capex in low-carbon businesses over total capex (average for the period)

	2030-2040	2040-2050
STEPS Demand-Compatible Scenario	50-60	50-60
APS Demand-Supported Scenario	60-70	65-75
NZE Demand-Compatible Scenario	70-80	80-90

By 2030, Repsol plans to reach **capital employed figures of more than 40% in low-carbon businesses.** This proportion will continue to increase until 2050 at the pace of the energy transition in each scenario considered.

Projected % capital employed in low-carbon businesses over total

	2030	2040	2050
STEPS Demand-Compatible Scenario	40-45	50-60	50-60
APS Demand-Supported Scenario	40-45	60-70	65-75
NZE Demand-Compatible Scenario	40-45	70-80	75-85

19 Net Investment: Capex (already including subsidies) subtracting proceeds from divestments and asset rotations, and changes in debt perimeter due to project financing and portfolio management.

6. Mechanisms to prioritize decarbonization

Repsol has internal mechanisms to promote the allocation of capital to low-carbon investments, such as the internal carbon price and the investment qualification methodology for their alignment with the energy transition.

6.1 Internal carbon price

The Company has established an internal carbon price for investment decisions for new projects. This mechanism is included in the Company's economic bases for investment evaluation and is applied in the investment decisions of all projects that are submitted for approval by the Executive Committee and the Board of Directors. The internal carbon price applies to the analysis of new investments on the potential impact of the Company's Scope 1 and 2 emissions even in cases where there is no regulated carbon price. It acts as a shadow price by incentivizing emissions reductions and investment in low-carbon technologies, so that a higher carbon price promotes projects with lower emissions over the rest.

The internal carbon price in the context of EU operations is set based on the current price and future forecasts for the European Union Emissions Trading Scheme (EU ETS), which is currently set at around 75 $/t in 2025 and 110 $/t in 2030.

For the rest of the world, in countries without more stringent specific regulation, an internal carbon price of $60/tCO$_2$eq is applied in period 2024-2030. This price is mainly applied to Exploration and Production projects and, when it refers to methane emission reduction and routine flaring projects, it is especially facilitating investment, since the real cost of abatement is often less than 60 $/tCO$_2$eq.

Whenever an investment decision is made, the new project to be incorporated is analysed with respect to the effect it may have on the Company's direct emissions perimeter. For this purpose, the internal carbon price is used to value any investment that could have an impact on the Company's Scope 1 and 2 emissions.

6.2 Assessing investments for consistency with the decarbonization pathway

Since 2021 Repsol applies its own methodology to assess whether an investment is aligned and compatible with its decarbonization path. Any investment or divestment proposed to the Executive Committee and the Board of Directors must include a report from the Sustainability Division that assesses the project's carbon intensity and its impact on the Company's CII. According to the established methodology, investments can be categorized as follows depending on whether the impact is positive, neutral, or negative:

- Aligned with the energy transition, when it does not affect or facilitate the Company's Carbon Intensity Indicator reduction targets.
- Enabling the energy transition, if it has a negative impact on the Carbon Intensity Indicator of less than 1%, that can be offset by other initiatives. Additional conditions are also imposed on exploration and production investments (limited life of exploitable reserves and no investment in oil sands, extra-heavy crude, and Arctic offshore).
- Misaligned, when it does not meet the requirements of either of the two previous categories.

In 2024, in line with the investment qualification methodology, a report from the Sustainability Division has been incorporated into 29 investment proposals (17 from Upstream, 9 from Low Carbon Generation and 3 from Industrial). Of these, 45% were aligned and 55% enabling, while none were misaligned.

7. Governance

The whole organization, governance bodies, businesses units, corporate areas and employees are committed to the decarbonization goals.

Repsol has a governance structure for managing matters related to climate change led by the Board of Directors. The Board approves and monitors the decarbonization strategy, which is part of the Company's strategy, and ensures that the sustainability and energy transition targets and indicators are met. This involves tracking metrics, emissions and carbon intensity reduction targets, technological innovations, and the alignment of the investment proposals with the energy transition goals.

The Executive Committee and the Board review the alignment of the investment proposals with the energy transition and the Company's decarbonization path based on specific reports drawn up by the Sustainability Division. These reports reflect the positive, neutral, or negative impact of each investment proposal on Repsol's Carbon Intensity Indicator, a metric that analyses the Company's progress toward decarbonization.

The Sustainability and the Audit and Control Committees of the Board of Directors also supervise the reporting and execution of the climate change strategy and the Carbon Intensity Indicator management and compliance.

Specifically, in 2024 the Sustainability Committee held five meetings and reviewed the following aspects, among others:

- Fulfilment of the energy transition targets by the end of 2024.
- The Group's risk map: short and long term.
- Monitoring fulfilment of decarbonization targets 2025-2030 within the framework of the Strategic Update.
- Company scenario analysis 2024-2050
- The greenhouse gas emissions map for the 2024 financial year.
- The summary of investments aligned with the energy transition (end of 2023).
- Proposal and monitoring of the Company's sustainability objectives (2023 Closing and 2024 Proposal).
- Review of the report on Repsol's participation in industry initiatives and associations.
- The OGDC (Oil & Gas Decarbonization Charter) initiative.
- Updating of the Human Rights Book.
- Updating of the energy transition and decarbonization metrics and targets.

Likewise, the Audit and Control Committee reviewed the non-financial information published in the Management Report, as well as the non-financial risk control and management systems. The Executive Committee is directly responsible for managing matters related to the energy transition:

- It oversees and proposes to the Board of Directors the Company's strategy aligned with the energy transition, as well as the scenario analysis in the long term (2031-2050).
- It approves and assesses the targets, budgets, and annual investment plans.
- It approves the methodology for the qualification of investments to ensure that it is in line with the energy transition.
- It approves potential changes in the Carbon Intensity Indicator calculation methodology and monitors (at least once a year) the progress made towards achieving the targets established for this key indicator.
- It assesses the investment proposals and their impact on the Carbon Intensity Indicator.
- It oversees the risk management policies and the emerging risks and climate change map periodically presented by the Audit, Control, and Risk Department.

The main business departments that affect the energy transition strategy work together and meet regularly. They evaluate ongoing projects that address climate change risks and opportunities and get advice from specialized teams on climate-related issues. About 150 full-time employees deal with climate and energy transition issues, across corporate functions (sustainability, legal, risk management, strategy, technology, investor relations, communication, institutional relations, etc.) and business units.

7.1 Sustainability targets on remuneration

Repsol has established objectives and metrics in relation to decarbonization and sustainability, integrating them into its annual performance-based remuneration system. 25% of the CEO's annual variable remuneration is linked to sustainability and decarbonization objectives, with 15% linked to the latter. Within this percentage, 5% is allocated to the increase in installed wind and solar generation capacity as planned in the 2024 Annual Budget. In addition, 10% of the remuneration is allocated to the development of other low-carbon1 platforms. The degree of achievement of these objectives is assessed by the Compensation Committee based on the evidence provided.

In addition, Repsol has implemented a Long-Term Incentive (LTI) for the period 2024-2027, which affects all management staff, including the CEO, and other employees, in which 40% of the objectives are linked to the energy transition. This LTI includes specific metrics such as the reduction of the Carbon Intensity Indicator (CII), renewable generation capacity (GW) and renewable fuel production capacity (Mta). Each type of objective has different associated metrics for its measurement and each metric has an associated achievement scale defined based on its variability and strictness. These scales have a minimum compliance threshold below which no right to incentive is generated and a maximum level set at 100%.

8. Repsol's Sustainable Financing approach

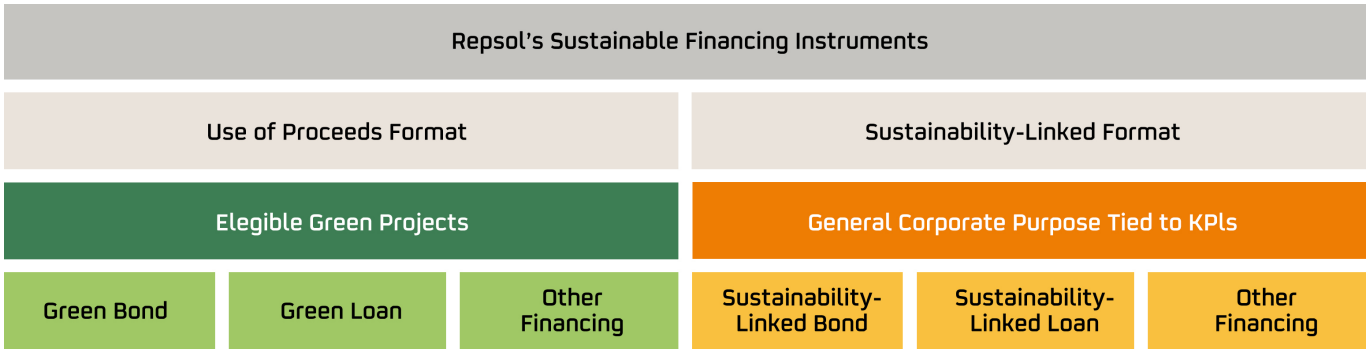
At Repsol we have a firm and continuous commitment to sustainability as an essential pillar for generating value today and in the future. We believe that the issuance of Sustainable Financing Instruments will support and boost our efforts to be part of the solution and reinforce our commitment towards a low emissions future.

Repsol has designed its financing policy in line with its strategic plan, transition strategy and climate roadmap, embedding all its decarbonization levers that contribute to achieve the ambitious objectives set by the Company. **Only inclusive and flexible sustainable financing will accelerate the achievement of the decarbonization goals of the Paris Agreement.** Thus, Repsol has developed an overarching Sustainable Framework (the "Sustainable Financing Framework" or the "Framework") enabling us to use all the available Sustainable Financing Instruments in the market to fund our decarbonization levers previously defined. This framework allows us to issue debt through different instruments:

1. **Use of Proceeds Financing Instruments'** where the proceeds of the financing instruments can be earmarked to Green Eligible Projects which are projects falling into certain green categories and are aligned with relevant eligibility criteria, as described below under "—Green Bonds" as defined in the Use of Proceeds section of the Sustainable Financing Framework.
2. **Sustainability-Linked Financing Instruments'** with General Corporate Purpose financings at Corporate Level where financial or structural characteristics can vary depending on whether the Key Performance Indicator(s) "KPI(s)" reach (or not) the predefined Sustainability Performance Target(s) "SPT(s)" as defined in the Sustainability-Linked Financing section of the Sustainable Financing Framework.

In other words, this Framework allows Repsol to issue Green (Use of Proceeds) bond/loans, and Sustainability-Linked bonds/loans and other financial instruments.

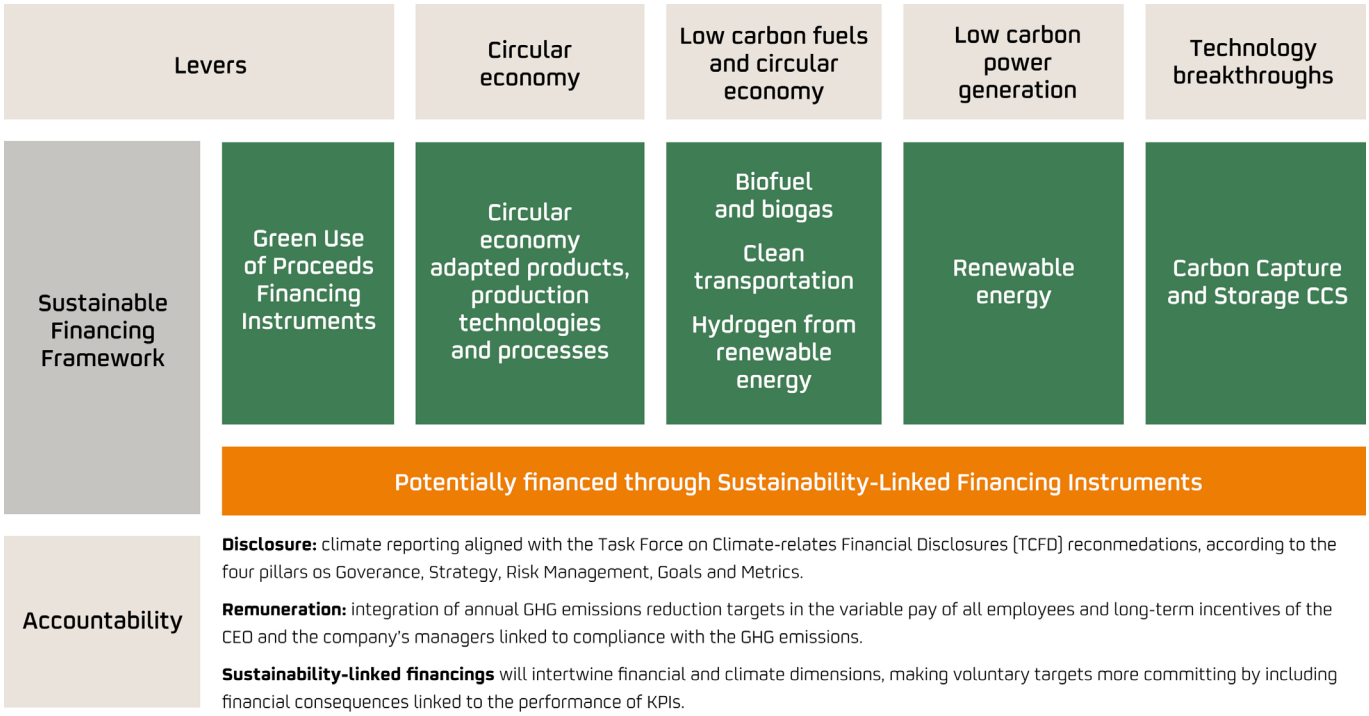
Repsol's Sustainable Financing Approach



Repsol has a **Sustainable Financing Committee** in charge of selecting, review, evaluating and monitoring the Green Eligible Projects to be financed by **Repsol's Use of Proceeds Financing Instruments**, and to select, review and monitor the Key Performance Indicators (KPIs) and Calibration of Sustainability Performance Targets (SPTs) included at **Repsol's Sustainability-Linked Financing Instruments**, to verify their compliance with the commitments described under the Framework. The committee is chaired by the Financing Director, and includes, among others, the Sustainability Director, the Head of Transition Energy and Climate Change, the Head of Strategy on Sustainability and relevant representatives from the Business and Corporate Divisions (Commercial, Upstream, Industrial, Renewable Energy and Reporting).

The aim of this Framework is to provide transparency and disclosure of our Sustainable Financing Instruments to our investors and lenders, following the latest industry best market practices and subject to future market development and expectations. Repsol continuously monitors and evaluates the markets and the possible financing alternatives to ensure the most efficient management of its financing strategy in line with both, the Company's Strategic Plan and Global Sustainability Plan constantly updated.

Repsol is committed to Net Zero Emissions by 2050, in line with the Paris Agreement



8.1 Use of proceeds financing framework

The Use of Proceeds Financing Instruments section of this Framework defines a set of guiding principles for:

• Green financing instruments, in which the funds raised are exclusively allocated to Green Eligible Projects, including but not limited to Green Use of Proceeds bonds/loans.

For Green Use of Proceeds Financing instruments, Repsol asserts that it will adopt the following pillars as set out in this Framework:

1. Use of Proceeds,

2. Project Evaluation and Selection,

3. Management of Proceeds, and

4. Reporting

5. External review

This Framework has been developed so that Green Use of Proceeds Financing instruments are in compliance with the Green Bond Principles 2021 (GBP) (with June 2022 Appendix I)[20] as published by the International Capital Market Association (ICMA), as well as the Green Loan Principles (GLP) 2023[21] as published by the Loan Market Association (LMA), Loan Syndications and Trading Associations (LSTA), and Asia Pacific Loan Market Association (APLMA).

In the annual integrated management report, Repsol reports on its alignment of its annual revenue, CAPEX and Opex with the EU Sustainable Finance Taxonomy[22].

Repsol will align the below mentioned use of proceeds with the EU Taxonomy Substantial Contribution Criteria, Do No Significant Harm, and Minimum Safeguard policies and the 2023 European Green Bond Standard, in order to be aligned with market best practices.

20 **Green Bond Principles:** https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Green-Bond-Principles-June-2022-060623.pdf
21 **Green Loan Principles:** https://www.lma.eu.com/application/files/8916/9755/2443/Green_Loan_Principles_23_February_2023.pdf
22 **EU Taxonomy:** https://ec.europa.eu/sustainable-finance-taxonomy/

8.1.1 Use of Proceeds

An amount equal to the net proceeds of Repsol's Use of Proceeds Financing Instruments will be earmarked to the (re)financing, in whole or in part, of existing or future Green Eligible Projects.

In order to be earmarked as eligible the Projects must align with all of the following criteria:

1. Eligible types of Investments

- Capital expenditures and selected operating expenditures (such as maintenance costs that either increase the lifetime or the value of the Assets) of Physical Assets meeting the Eligibility Criteria described in the Use of Proceeds section of the Green Financing Framework;
- Research and development ("R&D") expenditures aiming at developing new products and solutions as per the Eligibility Criteria specified in the Use of Proceeds section of the Green Financing Framework;
- Equity investments in entities where at least 90% of the revenues is derived from one or more of the Green Eligible Project Categories defined below ("pure play companies") and meeting the respective Eligibility Criteria.

2. Lookback period

The net proceeds of each Use of Proceeds Financing instruments will be used to:

- Finance Green Eligible Projects occurring post issuance of each financing instrument; and/or
- Refinance expenditure in connection with Green Eligible Projects initiated up to three (3) years prior to the year of any Use of Proceeds Financing' issuance.

3. Green Eligible Projects Categories and Eligibility Criteria

Green Eligible Projects are projects supporting the transition to a low-carbon economy in direct alignment with Repsol's energy transition strategy and the 2024-2027 Strategic Plan as described in the first section of the Use of Proceeds Financing Framework. In order to ensure that all Green Eligible Projects provide environmental benefits, they must fall into and comply with at least one of the following Project Categories and Eligibility Criteria respectively. Also Green Eligible Projects would need to fully align with the EU Taxonomy Substantial Contribution Criteria, Do No Significant Harm, and Minimum Safeguard policies.

Decarbonization lever	Project Category	Eligibility Criteria	Environmental Objectives	Alignment with the UN SDG targets[23]	Alignment with EU Taxonomy Activity
Low-carbon power generation	**Renewable energy**	Development, acquisition, construction, installation, maintenance and storage of renewable power plants, generating energy using - wind power: onshore and offshore; - solar power: Photovoltaic Solar Power; - hydroelectric power from run-of-river plant that does not have an artificial reservoir; with power density of the electricity generation facility above 5 W/m2; or life-cycle GHG emissions from the generation of electricity from hydropower, are lower than 100gCO2e/kWh.	**Climate change mitigation:** Avoidance and reduction of Greenhouse gas emissions (GHG)	**SDG 7.2:** By 2030, increase substantially the share of renewable energy in the global energy mix. **SDG 13.2:** Integrate climate change measures into national policies, strategies and planning.	**4.1 Electricity generation using solar photovoltaic technology** **4.2 Electricity generation from wind power** **4.5 Electricity generation from hydropower** **4.10 Storage of electricity** **7.6 Installation, maintenance and repair of renewable energy technologies**
Low-carbon Fuels and Circular Economy	**Biofuels and biogas**	Production, distribution and refining of biogas and biofuels for use in transport meeting the below criteria: The greenhouse gas emission savings from the manufacture of biofuels and biogas for use in transport and from the manufacture of bioliquids are at least 65 % in relation to the GHG saving methodology and the relative fossil fuel comparator set out in Annex V to Directive (EU) 2018/2001.	**Climate change mitigation:** Avoidance and reduction of Greenhouse gas emissions (GHG)	**SDG 7.2:** By 2030, increase substantially the share of renewable energy in the global energy mix. **SDG 13.2:** Integrate climate change measures into national policies, strategies and planning. **SDG 9.5:** Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.	**4.13 Manufacture of biogas and biofuels for use in transport and of bioliquids**

23 UN Sustainable Development Goals, available online.

Low-carbon Fuels and Circular Economy	**Clean transportation**	Development, construction and installation of projects contributing directly or indirectly to a reduction of CO_2 emissions or energy consumption per km-passenger: - Infrastructure: electric charging points, station network to serve vehicles with zero tailpipe CO_2 emissions.	**Climate change mitigation:** Avoidance and reduction of Greenhouse gas emissions (GHG)	**SDG 7.1:** By 2030, ensure universal access to affordable, reliable and modern energy services. **SDG 11.2:** By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport. **SDG 13.2:** Integrate climate change measures into national policies, strategies and planning.	**6.15 Infrastructure enabling low-carbon transport and public transport**
Low-carbon Fuels and Circular Economy	**Hydrogen from Renewable Energy**	Manufacture of hydrogen from electrolysis using renewable electricity, biogas and bioliquid reforming and photo-electrocatalysis with solar energy, meeting the below criteria: - life-cycle GHG emissions savings of 73.4% for hydrogen [resulting in life-cycle GHG emissions lower than 3tCO2e/tH2] and 70% for hydrogen-based synthetic fuels relative to a fossil fuel comparator of 94g CO2e/MJ in analogy to the approach set out in Article 25(2) of and Annex V to Directive (EU) 2018/2001.	**Climate change mitigation:** Avoidance and reduction of Greenhouse gas emissions (GHG)	**SDG 7.2:** By 2030, increase substantially the share of renewable energy in the global energy mix. **SDG 13.2:** Integrate climate change measures into national policies, strategies and planning. **SDG 9.5:** Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending	**3.10 Manufacture of hydrogen**

Technology breakthroughs	**Carbon Storage**	Investment in the infrastructure associated with the storage of capture CO_2[24].	**Climate change mitigation:** Reduction of Greenhouse gas emissions (GHG)	**SDG 9.5:** Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending. **SDG 13.2:** Integrate climate change measures into national policies, strategies and planning.	**5.12 Underground permanent geological storage of CO_2**
Circular economy	**Circular economy adapted products, production technologies and processes**	Recycled products: increased circular (recycled/renewable) content in chemical products. • Chemicals manufactured by mechanical recycling or physical recycling of polymer feedstock waste • Chemicals manufactured by chemical recycling of plastic waste presenting a lower climate change net burden (negative impacts versus total savings in the whole system) than the virgin fossil based feedstock route • Chemicals derived wholly or partially derived from renewable feedstock (including certified bio-attribution via mass balance), where its life-cycle GHG emissions are lower than the life-cycle GHG emissions from the use of its equivalent fossil fuel feedstock.	**Climate change mitigation:** Reduction of Greenhouse gas emissions (GHG)	**SDG12.2** By 2030, achieve the sustainable management and efficient use of natural resources **SDG 12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	**3.17 Manufacture of plastics in primary form**

Exclusion Criteria: *With the purpose of limiting any carbon lock-in effect*[25]*, the proceeds from Repsol's use of proceeds financing instruments will not be earmarked towards Fossil Fuel projects (e.g. exploration, extraction, and refining of fossil fuels), and not as well towards projects with a direct application into Fossil Fuel projects (e.g., exploration, extraction, and refining of fossil fuels).*

24 From hard-to-abate sectors such as construction, cement, steel, or ammonia production (excluding Oil & Gas).

25 According to the OECD, carbon lock-in occurs when fossil fuel infrastructure or assets (existing or new) continue to be used, despite the possibility of substituting them with low-emission alternatives, delaying or preventing the transition to near-zero or zero-emission alternative.

8.1.2 Process for Evaluation and Selection of projects

Repsol is committed to ensure the responsible management of all of its activities through the integration of ESG criteria, across the business according to its Sustainability Policy. All of our activities are under the purview of our Sustainability Model, which is designed to prevent harm to people, assets and the environment.

Social risk management

Repsol is committed to respecting human rights. We comply with the United Nations Guiding Principles on Business and Human Rights, focusing on the proactive management of risks, impacts and opportunities, and committing to a preventative and permanent dialogue with local communities.

Human Rights and Community Relations Policy[26], approved in 2008 and updated in 2023 to adapt to new regulatory standards is the reference framework that establishes the commitment of senior management and the guidelines for the company's social management. The policy applies to all places where the Company operates and in all phases of the life cycle of activities, ranging from prior studies, design phase, construction, start-up, production and dismantling or transfer of assets.

Every year, Repsol defines the global and local human rights targets, which are integrated into the Global Sustainability Plan and the 18 local sustainability plans.

Repsol implements a human rights due diligence process to identify, prevent, mitigate in advance and reduce the social risks and impacts associated with its operations. This management system is based on carrying out social impact assessments, implementing social action plans, monitoring and accountability. Moreover, Repsol has consulting mechanisms to allow local communities to participate in the process, as well as channels for reporting and resolving conflicts.

Repsol has grievance mechanisms so that communities, employees, partners, suppliers, customers and any interested third party may express their worries, concerns and complaints related to the Company's activities or the activities of its partners or contractors. Repsol is committed to verifying any report or complaint received and cooperating to repair the impact caused. This allows us to respond to minor incidents before they escalate and provide an early avenue of reparation to affected parties.

In 100% of the assets operated, there are participation strategies with local communities that materialize in local development projects. 100% of the impact evaluations carried out in 2024 included social and human rights aspects. In each project, the level of consent of the indigenous organizations is verified and, if not, both the potential impacts and the convenience of continuing with the project are evaluated in the Company's Executive Committee.

Repsol tops the ranking of the world's 110 largest companies in the extractive and textile sector that were evaluated in 2023 Corporate Human Rights Benchmark (CHRB), in addition to the 127 largest companies in the automotive, food and technology sectors that were evaluated in 2022. This is the most respected recognition for human rights due diligence practice among companies worldwide.

Repsol is also a signatory of the Voluntary Principles on Security and Human Rights with the aim of ensuring the security of its operations in sensitive or conflict zones, through working procedures implemented at project level that guarantee respect for human rights.

26 https://www.repsol.com/en/sustainability/sustainability-strategy/policies/human-rights-and-community-relations-policy/index.cshtml

Environmental risk assessment

Repsol's priority is to minimize the environmental impact of its activities by optimizing water management, air emissions, waste management, spill prevention and response and the preservation of biodiversity. Our environmental management system is certified according to ISO 14001 and includes external and internal audits, as well as continuous monitoring and measurement of environmental performance[27]. Repsol implements certification, verification, and assurance processes through internal and external audits to ensure compliance with national and international regulations.

Repsol carries out water risk assessments on all operated assets using the Repsol Water Tool (RWT), which is a self-developed tool to assess water-related internal and external risks.

Every year, Repsol defines the global and local environmental targets, which are integrated into the Global Sustainability Plan and the 18 local sustainability plans. Additionally, Repsol has launched in 2023 the Water Zero initiative in industrial complexes, through which it is committed to not increasing freshwater withdrawal by 2030 and to reducing freshwater withdrawal by 30% by 2035, as an intermediate step towards achieving the ambition of zero net freshwater withdrawal by 2050[28]. The Marcellus E&P asset is committed to achieving net zero freshwater consumption by 2035.

The Company has developed the Reads[29] methodology for comprehensive assessment of the environmental impacts of business projects and activities regardless of where operations are being undertaken. Reads provides a solution to understand the Company's relationships with nature, as well as the related risks and opportunities. Reads provides relevant indicators for the financial analysis of the impact from projects and activities on climate change, water resources, biodiversity and ecosystem services, and human well-being, thus facilitating the integration of natural capital in strategic company decision-making processes and/ or decisions associated with facility management and the prioritization of impact mitigation initiatives.

Repsol also integrates energy and carbon management in its business model and risk management system, given that climate change is a key factor for the strategic decision-making process. In order to determine exposure to climate change risks and in the absence of an established methodology in the sector, Repsol has developed its own risk analysis methodology, extending the typical five-year horizon of a strategic planning cycle, to cover the longer-term risks with greater levels of uncertainty, including the systematic integration into all investment decisions of a carbon price as emphasized in the section Repsol's transition levers of this Framework.

Project Selection Process

The process of evaluation and selection of Green Eligible Projects is performed as follows:

1. The potential Green Eligible Projects are proposed by the Technical Management in the facility according to their alignment with the Eligibility Criteria defined above in the section '8.1.1. Use of Proceeds'.
2. The investment in the Green Eligible Projects is approved at the corresponding management Level according to the internal authorization procedure. Management will also ensure that all Repsol's standard environmental and social risk management practices, as stated above, have been followed.
3. The Sustainable Financing Committee evaluates the contribution of the projects proposed to the Environmental Objectives and/or Decarbonization levers to be classified as Green Eligible Projects and approves them for allocation.

On biannual basis, the Sustainable Financing Committee will review the allocation of the proceeds to the Green Eligible Projects and determine if any changes are necessary.

27 Repsol's web page Safety and the environment, available online.

28 Based on calculations made with respect to 2022 baseline.

29 https://www.repsol.com/en/sustainability/sustainability-pillars/environment/reads-project/index.cshtml#:~:text=Reads%20enables%20a%20comprehensive%20assessment,%2C%20and%20social%20well%2Dbeing

8.1.3 Management of Proceeds

An amount equal to the net proceeds of any Green Financing Instrument will be used to:

- Finance, in whole or in part, Green Eligible Projects carried out post issuance of the relevant Green Financing Instrument; and/or
- Refinance, in whole or in part, expenditure made in connection with Green Eligible Projects initiated up to three (3) years prior to the year in which such Green Financing Instrument were issued.

An amount equal to the net proceeds of the issue of Green Financing Instrument will be on-lent by the relevant issuer/borrower to or allocated by the relevant issuer/borrower to other companies within the Repsol Group for use by such companies in new projects and/or for the refinancing of existing projects meeting the eligibility criteria referred to above. Pending the full allocation to Green Eligible Projects, the Group commits to hold the balance of net proceeds not already allocated to Green Eligible Projects invested in cash, cash equivalent, bank accounts/deposits and/or in monetary funds managed by the Group's treasury department, following the internal financial and risks policy of the Group.

The Group has set up internal procedures to track the use of proceeds of its Green Financing Instruments and has established a register to monitor the Green Eligible Projects.

In case of asset divestment or cancellation of a project, Repsol will re-allocate proceeds to finance other Eligible Green Projects, in compliance with the current Framework. Repsol will aim to fully allocate the proceeds of any Green Financing instruments issuance within 36 months from the relevant issuance/borrowing date.

8.1.4 Reporting

Repsol will provide information, for each Green financing instrument issued under this Framework, on the allocation and impact of the net proceeds on its website (www.repsol.com) within the first 12 months of each financial year end and until all the net proceeds have been fully allocated. Such report will be verified by an external assurance provider. This annual reporting will include Allocation Reporting and Impact Reporting, as specified below.

Allocation Reporting

The allocation reporting will provide:

- Confirmation that the Use of Proceeds of each Green Use of Proceeds Financing instruments complies with this Framework;
- Total amount of Green proceeds allocated to Eligible Projects
- Confirmation that the Use of Proceeds of each Green Use of Proceeds Financing instruments complies with this Framework;
- Total amount of Green proceeds allocated to Eligible Projects
- The proceeds allocation in respect of the Eligible Projects for each category and the breakdown by geographical region on an aggregate basis by year of implementation;
- Share of refinancing and financing proceeds;
- The remaining balance of unallocated proceeds (if any).

Impact Reporting

Repsol will make its best effort to report annually on adequate relevant impact metrics for monitoring the projects financed on an aggregate basis at Project Category level. The relevant metrics could include the following. The reporting calculation methodologies and any assumptions used will be disclosed in the impact report.

Impact Reporting Metrics	
Renewable Energy	- Renewable energy capacity (MW) - Renewable energy generation (MWh) - GHG emissions avoided / reduced (tCO_2e)
Biofuels and biogas	- Biofuels production (t/y) - Biofuels production capacity (t) - GHG emissions avoided / reduced (tCO_2e)
Clean Transportation	- Number of charging stations - Estimated GHG emissions avoided / reduced (tCO_2e)
Hydrogen from Renewable Energy	- Renewable generation capacity (MWeq) - GHG emissions avoided / reduced (tCO_2e)
Carbon Storage	- Amount of CO_2 stored (tCO_2e) - GHG emissions avoided / reduced (tCO_2e)
Circular economy adapted products, production technologies and processes	- Recycled polymer (mechanical/physical recycling) (tons) - Circular chemicals (chemical recycling, pyrolysis, and/or gasification) (tons) - Bio-based and/or renewable chemicals (tons)

8.2 Sustainability-Linked Financing Framework

This Sustainability-Linked Financing Framework defines a set of guiding principles for financing instruments linked to the achievement of material, quantitative, pre-determined, ambitious, regularly monitored and externally verified sustainability objectives through the selection of Key Performance Indicators "KPIs" and the calibration of related Sustainability Performance Targets ("SPTs"), with no specific dedicated use of proceeds.

Repsol has designed this Sustainability-Linked Financing Framework in compliance with the Sustainability-Linked Bond Principles 2024 (SLBP) as published by the International Capital Market Association (ICMA), as well as the Sustainability-Linked Loan Principles 2023 as published by the Loan Market Association (LMA), in order to align with market best practices.

For all Sustainability-Linked Financings issued under this Framework, including but not limited to bonds and loans, Repsol asserts that it will adopt the following as set out in this Framework:

1. Selection of Key Performance Indicators (KPIs)
2. Calibration of Sustainability Performance Targets (SPTs)
3. Bond/loan characteristics
4. Reporting
5. Verification

8.2.1 Selection of Key Performance Indicators (KPIs) and Calibration of Sustainability Performance Targets (SPT)

Repsol has selected the following KPIs for its future sustainability-linked financing transactions:

- KPI 1: Absolute Scope 1, 2 and 3 GHG emissions (based on sales), Mt CO_2e
- KPI 2: Carbon Intensity Indicator (scope 1,2 and 3), gCO_2e/MJ[30]
- KPI 3: Installed renewable energy capacity, GW
- KPI 4: Renewable fuel capacity, Mt
- KPI 5: Renewable Hydrogen capacity, GWe

Repsol has selected these KPIs and calibrated these SPTs in alignment with its energy transition strategy. The achievement of each SPT is aimed at contributing to the overall objective achieving net zero emissions by 2050 (as measured by CII and absolute scope 1, 2 and 3 GHG emissions reduction pathways described below).

The KPIs are:

1. Relevant, core and material to Repsol's overall business, and of high strategic significance to our current and/or future operations.
2. Measurable or quantifiable on a consistent methodological basis, as further explained below.
3. Externally verifiable by Repsol's independent auditor.

Repsol will integrate the Carbon Intensity Indicator and/or the Absolute Scope 1, 2 and 3 GHG Emissions KPI on a best effort approach on each Sustainability Linked financing transaction as they are the most material and holistic indicators to assess the progress of the Company towards its decarbonization pathway. The Company may also add one or more KPIs to highlight specific initiatives or main levers of its Strategic Plan depending on the contemplated financing instrument. The selected KPI(s) will be detailed in the relevant documentation of each financing instrument issued under this Framework.

The KPIs and SPTs are uniquely tailored to the Group's business, operations and capabilities, and they do not easily lend themselves to benchmarking against similar sustainability performance targets, and the related performance, of other issuers.

Under the Framework, Repsol may issue Sustainability Linked Financing tied to one or more of the following KPIs and SPTs.

30 Carbon Intensity Indicator, available online.

1. Absolute Scope 1, 2, and 3 GHG Emissions

This KPI measures the Group's direct and indirect scope 1, 2, and 3 GHG emissions on a gross basis in million metric tons of carbon dioxide equivalent (**Mt CO_2e**). The metric encompasses:

- Scope 1 and 2 emissions from the Group's development, production, transformation and commercialisation of hydrocarbon activities.
- Scope 3 emissions Category 11, which is the most significant for the company, representing more than 90% of scope 3 emissions, and for the broader oil and gas sector. It includes gross sales of oil products, which are the sales of oil products derived from refined crude oil and from purchases through all Repsol's commercial channels, and the sales of produced natural gas.

The definition of Scope 1, 2, and 3 emissions used in this KPI is aligned with the definition of Scope 1, 2 and 3 emissions under the GHG Protocol (The Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard)[31].

For the purpose of this Framework and any issuance under this Framework following absolute emissions target can be used as an SPT:

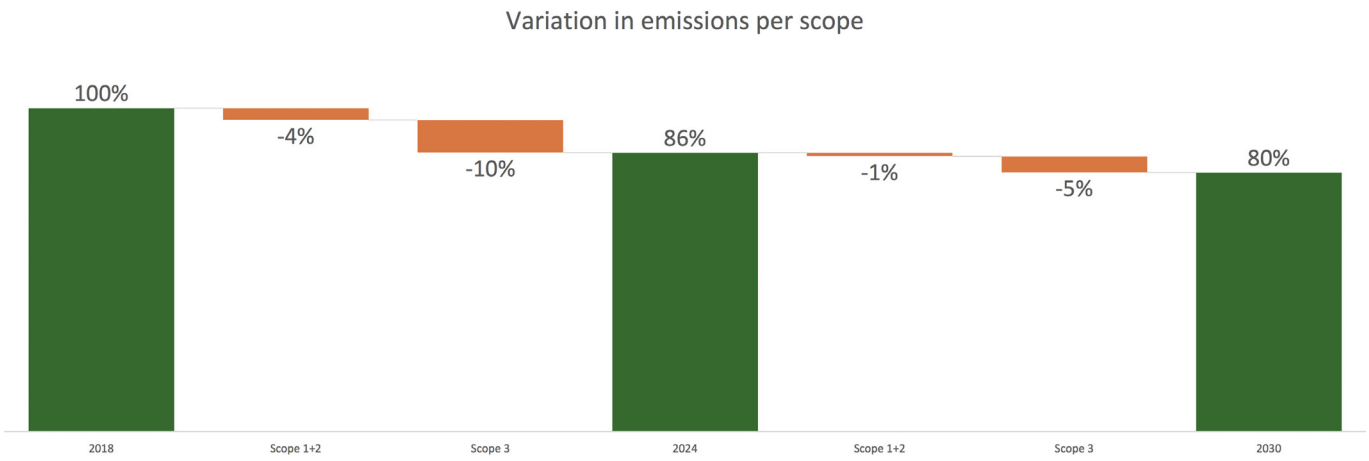
- **SPT 1: 20% of reduction in absolute scope 1, 2, and 3 emissions (Category 11: Use of Sold Products) by 2030 compared to the 2018 baseline.**

	2018	2022	2023	2024
Reduction vs 2018*	0%	-14.7%	-12.4%	-13.8%

* Baseline: 224 Mt CO_2e

By 2024 this new KPI achieved 13,8% reduction.

Action plan and strategy to achieve the SPT 1: Repsol will rely on the following main levers to reach its 2030 targets:



Note: Intermediate figures between 2024 and 2030 could change depending on market and/or political developments. However, the 2030 target would remain the same.

31 **Scope 1:** Direct GHG emissions occur from sources that are owned or directly controlled by the Group.
Scope 2: (Indirect GHG emissions from purchased energy) accounts for GHG emissions from the generation of purchased electricity, heat, cooling, or steam consumed by the Group.
Scope 3: Other Indirect GHG emissions which are a consequence of the activities of the company but occur from sources not owned or controlled by the company.

- Scope 1+2 emissions reduction through the implementation of new energy efficiency initiatives, future electrification of industrial complexes and the substitution of fossil H_2 with renewable H_2.
- Scope 3 emissions:

- **Natural gas:** Repsol's total gas production and sales coincide with the fact that there are no net purchases that enter the marketing system. This situation is structural and will continue after 2030, so the reduction in gas production expected compared to 2018 contributes to reducing emissions.
- **Oil products decrease:** Repsol's commercial activity is mainly located in the European Union. Demand projections show a decline in sales of oil products accompanied by the increase in renewable fuels and electric mobility, promoted by regulation. Repsol also foresees a moderate expansion of the commercial hinterland, with the forecast that, as a result of all the above, in 2030 its crude oil processing activity will be reduced by 15%. This moderate decline will contribute to the reduction of absolute Scope 3 emissions, accompanied by increased production and sales of renewable liquid fuels. By 2030, our internal scenarios incorporate a diversified mix of energy solutions to align with Europe's climate goals and addressing declining demand through a product diversification strategy including renewable fuels and transport electrification. These scenarios reflect compliance with the National Energy and Climate Plan (NECP 2021–2030), RED III transport targets, and sector-specific initiatives such as FuelEU Maritime and ReFuelEU Aviation.

2. Carbon Intensity Indicator (CII)

This KPI measures carbon dioxide equivalent emissions for every unit of energy that the Group makes available to society, measured in grams of carbon dioxide equivalent per megajoule (g CO2e/MJ).

The updated CII methodology is described in the section 3.3 Reduction of Carbon Intensity of this Framework.

The CII is the basis for setting emissions reduction targets over time, to reach net zero emissions by 2050. Using 2016 as the base year (2016 was the first year in which all assets of ROCGI, formerly Talisman Energy Inc., were consolidated following its acquisition), the Group has set targets to reduce its CII. For the purpose of this Framework and any issuance under this Framework following CII targets can be used as SPTs:

- **SPT 2.1: 28% reduction of CII by 2030 against a 2016 baseline.**
- **SPT 2.2: 55% reduction of CII by 2040 against a 2016 baseline.**

The following table sets forth information on the historical levels of the CII and its percentage reduction against the 2016 baseline.

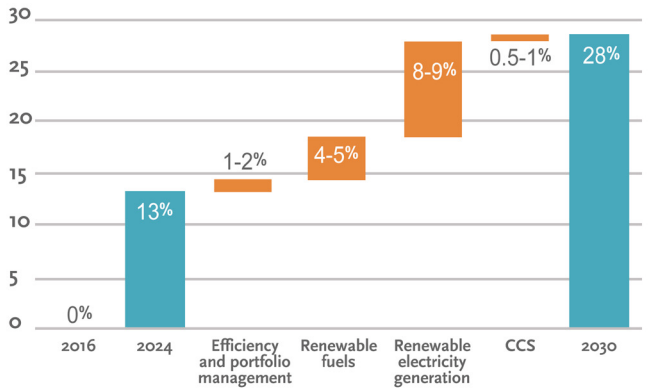
	2016	2022	2023	2024
Reduction vs 2016*	0%	-8.4%	-11.3%	-13.4%

* Baseline: 76,8 gCO_2e/MJ

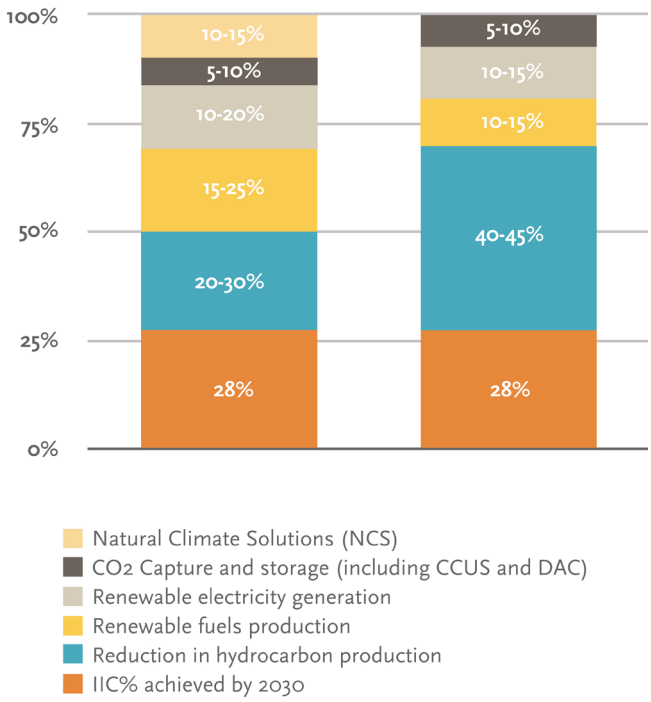
Action plan and strategy to achieve the SPTs 2.1 and 2.2: CII reduction target of 28% will be achieved by applying a wide range of technologies and solutions in line with Repsol's vision renewable fuels, and carbon sinks will be necessary, as well as reducing the carbon intensity of traditional operations (through energy efficiency measures, process electrification and reduction of methane emissions and gas flaring).

Due to the high uncertainty beyond 2030, we have performed a scenario analysis exercise for the 2031-2050 period, including the intermediate year 2040 which corresponds to a 55% CII reduction using the different decarbonization levers that apply the CII reduction. In this exercise we have used IEA scenarios as a reference. The breakdown of decarbonization levers is shown in the following graph:

Contribution to CII reduction (2024-2030)



Relative contribution of levers to Carbon Intensity Indicator reduction by 2050



In the APS scenario, around 90% decarbonization is achieved with energy solutions, with natural climate solutions (NCS) being used to offset the most difficult to abate emissions. In the NZE scenario, NCS would not be necessary, since Repsol's oil & gas production would be further reduced, with net zero emissions being reached before 2050.

3. Renewable Energy Capacity

The development of a Low Carbon Generation (LCG) business is one of the main pillars of Repsol Sustainability Plan to reach Net zero emissions by 2050 and Repsol aims to increase its asset portfolio and expand internationally[32].

This KPI measures the renewable installed capacity of the Group, being the total amount of gross peak capacity of the Group's power generation facilities using renewable energy sources (wind, solar and hydro, BESS (Battery Energy Storage Systems), and any other non-fossil fuel source of power generation deriving from natural resources) to produce electricity, measured in gigawatts (**GW**). For the purposes of this definition, capacity shall be considered "installed" when the relevant power generation facilities are in operation or have reached the mechanical completion stage (mechanical completion refers to the final stage of the construction process, which does not include connection to grid).

For the purpose of this Framework and any issuance under this Framework, the following Renewable Energy Capacity targets can be used as SPTs:

- **SPT 3.1: Reach 9 GW of Renewable Energy Capacity by 2027.**
- **SPT 3.2: Reach 15 GW of Renewable Energy Capacity by 2030.**

As of 31 December 2023, Repsol had 2.8 GW of Renewable Energy Capacity.

		2021	2022	2023	2024
Historical data	Renewable Energy Capacity (GW)	1.5	1.6	2.8	3.7
	Increase vs 2021		+7%	+87%	+147%

Action plan and strategy to achieve the SPTs 3.1 and 3.2: Those targets are perfectly aligned with the Repsol's strategy to reach a carbon neutrality (Scope 1, 2 and 3) by 2050, steepening the trajectory of the Carbon Intensity Indicator.

In 2024, Repsol acquired renewable energy company ConnectGen, with a project portfolio of 20 GW and significant development capabilities. With this agreement, Repsol adds an onshore wind energy platform in the U.S., complementary to Hecate's solar and storage assets, and reinforces our position as a global player in this energy sector. Construction was also completed on the Frye project in the United States, Repsol's largest photovoltaic plant to date, featuring almost one million solar panels and a total installed operating capacity of 632 MW. Lastly, Repsol and EDF Renewables reached an exclusivity agreement to cooperate in future offshore wind energy tenders in Spain and Portugal, seeing as though the Iberian Peninsula offers significant growth opportunities

32 Please also refer to section 4.3 Renewable Electricity Generation.

4. Renewable Fuels Capacity

The transition to renewable fuels is a key measure to achieve the CO_2 emissions reduction targets, help mitigate the effects of climate change and drive the circular economy[33]. The renewable fuels may come from food and feed crops (1G biofuels), used cooking oil (UCO biofuels) non-food organic waste (advanced biofuels) or renewable hydrogen and captured CO_2 (synthetic fuels or e-fuels).

This KPI measures the available renewable fuel capacity of the Group, being the renewable fuel production capacity (including advanced biofuels and synthetic fuels, as described in the EU Renewable Energy Directive (EU 2023/2413)), measured in million metric tonnes (**Mt**). For the purposes of this definition, capacity is considered "available" upon the relevant power generation facilities being in operation.

For the purpose of this Framework and any issuance under this Framework following Renewable Fuels Capacity targets can be used as SPTs:

- **SPT 4.1: Reach 1.5Mt of Renewable Fuels Capacity by 2027.**
- **SPT 4.2: Reach 2.2Mt of Renewable Fuels Capacity by 2030.**

As of 31 December 2024, Repsol had 1.0 Mt of Renewable Fuel Capacity.

		2021	2022	2023	2024
Historical data	**Renewable Fuel Capacity (Mt)**	0.64	0.7	1.0	1.25
	Increase vs 2021		+9%	+56%	+95%

Action plan and strategy to achieve the SPTs 4.1 and 4.2:
One of the pillars to Repsol's decarbonization strategy lies in the evolution of its seven industrial complexes into multi-energy hubs, with renewable fuels as a key lever for the Company. There is not a single winning approach; therefore, the company must be recognized for having opted for the right technologies at the right time, guaranteeing also margin capture and profitability, and investing in innovation and scaling to be part of the solution to reduce emissions in transport and to lead the transition.

Repsol has the ambition to develop a leading renewable fuels platform in Iberia, leveraging the transformation of the Company's sites into renewable & circular hubs taking advantage of existing assets, and access to feedstocks through strategic partnerships and renewable fuels regulatory incentives. Repsol is also exploring to expand renewable fuels business internationally by developing a low carbon platform in the United States, building on its attractive regulatory environment and leveraging Repsol's capabilities.

In 2024, Repsol signed an agreement to acquire 40% of Bunge Ibérica that operates three plants dedicated to the production of oils and renewable fuels, located in Bilbao, Barcelona and Cartagena. This agreement has supported Repsol's goal of producing up to 1.7 MTn of renewable fuels by 2027.

In February, an agreement was signed to acquire a 40% stake in Genia Bioenergy, an engineering company specialized in the development, design and construction of biomethane plants. The deal includes the development of 19 plants in Spain and Portugal, with a total biomethane production capacity of 1.5 TWh/year, which will be generated from various types of waste. There are currently more than 35 projects under study in different stages of progress in the Iberian Peninsula.

In April, large-scale production of renewable fuels began at the Cartagena facility, making Repsol the only company in Spain and Portugal with a plant fully dedicated to the production of renewable fuels on an industrial scale. The plant produces renewable diesel and sustainable aviation fuel (SAF), which is marketed and sold to reduce emissions in the transportation sector. Repsol has invested €250 million and has the capacity to produce 250,000 t/year of renewable fuels from waste, thus reducing annual CO_2 emissions by some 900,000 tn.

Also in September, Petronor began construction of the synthetic fuels "demo" plant in the Port of Bilbao, in partnership with the Basque Government, Enagás and Saudi Aramco. The plant includes a 10 MW electrolyzer and an e-fuel production plant for transportation. It is expected to be completed in 2026.

33 Please also refer to the section 4.2 Industrial.

5. Renewable Hydrogen Capacity

As a leader in H2 production in Iberia, Repsol aims to decarbonize its own consumption, but also Transport (Maritime, Terrestrial, and Aviation) and Industry[34].

This KPI measures the available renewable hydrogen capacity of the Group, defined as renewable hydrogen production capacity (including hydrogen produced from electrolysis and steam biomethane reforming processes), measured in gigawatts equivalent (**GWeq**). For the purposes of this definition, capacity is considered "available" upon the operational state of relevant power generation facilities.

For the purpose of this Framework and any issuance under this Framework, the following Renewable Hydrogen Capacity targets can be used as SPTs:

- **SPT 5.1: Reach 0.5 GWeq of Renewable Hydrogen Capacity by 2027.**
- **SPT 5.2: Reach 1.6 GWeq of Renewable Hydrogen Capacity by 2030.**

As of 31 December 2024, Repsol had zero Renewable Hydrogen Capacity.

Action plan and strategy to achieve the SPTs 5.1 and 5.2: Renewable hydrogen is another important vector for the decarbonization of Repsol's industrial complexes, as raw materials for producing renewable fuels and other decarbonized products. Repsol, as the largest producer and consumer of hydrogen in the Iberian Peninsula, aims to build a platform that leverages the integrated position of the Company across the entire energy value chain and creates synergies with low carbon businesses: own power generation, hydrogen production and consumption, fuels distribution and commercialization. To this end, it will install electrolysers at its five industrial sites in Spain.

Although Repsol is a technology agnostic company, in terms of hydrogen, the Company is focused on renewable hydrogen due to its alignment with the EU's preferences. Repsol understands renewable hydrogen as 1) electrolytic hydrogen from renewable power generation and 2) hydrogen from biomethane reforming. In terms of electrolytic hydrogen, Repsol is considering mainly the production for industrial applications in the short-term with Alkaline electrolysis technology. Proton exchange membrane (PEM) electrolysis technology will also come into play, being alkaline and PEM the only mature technologies in the market currently.

Renewable hydrogen has a wide range of uses, from the substitution of fossil hydrogen in traditional uses to new uses in order to decarbonize the economy. Repsol will have an initial focus on projects to substitute grey hydrogen demand, with further develop a platform to extend renewable hydrogen to other uses whilst leveraging regulation to decarbonize the industry and complying with RFNBOs targets for transportation.

In 2024, the SHYNE (Spanish Hydrogen Network) collaborative alliance —originally set up in 2022 as a multisector consortium with the aim of championing renewable hydrogen projects along the entire value chain— was officially constituted as an association. SHYNE comprises a network of seven sponsoring companies and more than thirty collaborating entities. In April, Petronor signed an agreement with the Port of Amsterdam, Dutch gas operator Gaslog and German energy company EnBW to develop a renewable hydrogen market in Europe that to help to decarbonize industry and improve mobility. Repsol was assigned for two projects: the 100 MW electrolyzer in Bilbao and another 100 MW electrolyzer in Cartagena. In October, Repsol decided to invest at its Sines Industrial Complex in Portugal to produce renewable hydrogen. This project includes a 4 MW electrolysis electrolyzer with the capacity to generate some 600 metric tons of hydrogen per year.

Repsol continues to identify new renewable hydrogen production opportunities on an international scale.

34 Please also refer to the section 4.2 Industrial.

6. Key risks that may impact the ability of Repsol to meet the targets:

On all KPIs:

o Introduction of a new regulatory constraints, impacting significantly the current activity of Repsol or limiting any key lever of decarbonization identified by the company in its indicator;

- Lack of regulatory support to support low carbon energies;
- Events of force majeure;
- Company's perimeter (due to an acquisition, a merger or a demerger or other restructuring, an amalgamation, a consolidation or other form of reorganisation with similar effect, a spin-off, a disposal or a sale of assets);
- Inefficient, late or premature adoption of new practices, processes or development of technologies that could impact in Repsol´s decarbonization levers;
- Challenges associated with talent and people management in the Group´s energy transition process;
- Parts of Repsol's activities are located in countries or regions that are, or could in the future become, economically or politically unstable. This could lead to situations such a delay in projects, changes in government policies, among others that can affect to Repsol´s decarbonization levers;
- There are certain energy transition risks derived from joint arrangements and associates, including risks relating to the potential unavailability of qualified partners to jointly develop business opportunities or conflicting views on the business plans to be developed;
- Shortage of raw materials and natural resources natural resources, goods or services that are required to develop key technologies associated with the energy transition.

On KPI 1 and 2 especially:

- Appearance of a new calculation methodology or sector specific standards reflecting changes in the market practice or the relevant market standards.

On KPI 3 to 5 especially:

- Technology development and scale-up;
- Lack of regulatory and incentive support to develop this energy;
- Delays in the development process of the projects (licences, access to the grid,..);
- Introduction of new regulation, modifying the definition of renewable hydrogen and renewable fuel;
- Potential feedstock shortages driven by regulatory caps;
- Inefficient, late or premature adoption of new practices, processes or development of technologies aimed to produce Renewable Fuels;
- Shortage of raw materials and natural resources that are required to develop key technologies associated with the renewable fuel production that would impact the deployment of the market or impact in the investments execution. Include, among others, limitations on the use of waste as raw material, regulations associated with compostable and biodegradable raw material, as well as regulations that limit the use of certain biomass for the production of biofuels;
- Harm to renewable fuels projects' reputation caused by social disapproval as sustainable initiative;
- Risks arising from potential adverse changes in public acceptance resulting in opposition to the construction of projects;
- Lack of network adaptation as production grows, which can limit the growth of the renewable energy and electricity production business;
- High competition in the markets associated with the energy transition.

8.2.2 Characteristics of Sustainability-Linked Instruments

For the avoidance of doubt, unless otherwise stated, the proceeds of any Sustainability-Linked Financings will be used for general corporate purposes. In case of Sustainability-Linked loan, Repsol will provide annual targets in the terms and conditions of the loan at the time of its issuance. Repsol will also assign structural and/or financial implications to the non-achievement of the SPT in the legal documentation of any Sustainability-Linked Financing. These implications could include, but are not limited to, a coupon step-up or increased redemption fee. Any structural and/or structural characteristics will be commensurate and meaningful relative to the original financing's financial characteristics.

The exact mechanism and impacts of the achievement or failure to reach the pre-defined SPTs will be detailed for each bond at the legal documentation where relevant. Such documents will detail the KPI definition, calculation methodologies, SPTs and trigger events, financial/structural characteristic variation mechanisms, as well as where needed any fallback mechanisms in case the SPTs cannot be calculated or observed in a satisfactory manner, and language to take into consideration potential exceptional events or extreme events, including drastic changes in the regulatory environment that could substantially impact the calculation of the KPI or the restatement of the SPT. Where relevant, Repsol may include potential exceptional events that could substantially impact the calculation of the KPI and SPT in the legal documentation of the Sustainability-linked financing.

Any future Sustainability-Linked Bonds ("SLBs") with the same KPI(s) and SPT Observation Date must utilize an SPT of equal or greater climate ambition. In addition, at the issuance of such an SLB, any outstanding SLBs would have their equivalent SPT adjusted to reflect the greater ambition for three key reasons:

1. To enable the increase of ambition over time, and allow Repsol to adapt to new circumstances
2. To avoid the coexistence of SLBs with different SPTs at the same dates
3. To facilitate the reporting exercise – avoiding the need to validate the KPI against multiple targets

For the avoidance of doubt, the financial implications cannot be applied more than one time over the life of a given Sustainability-Linked transaction.

8.2.3 Recalculation policy

Following the occurrence of a 'Recalculation Event' as defined in the Base Prospectus[35] for Repsol's Euro Medium Term Note Programme, dated April 10th, 2024, Repsol may recalculate the relevant KPI, SPT or Baseline in respect of the relevant Sustainability-Linked Financing.

In such case, an Independent External Verifier shall review the recalculated value(s) and confirm that it is at least consistent with the level of ambition set by the initial SPT(s) of the relevant KPI.

35 Repsol's EMTN Programme Base Prospectus: https://www.repsol.com/content/dam/repsol-corporate/es/accionistas-e-inversores/pdf/base-prospectus-registrado-10-abril-2024.pdf

8.2.4 Reporting

On an annual basis, Repsol will disclose performance on the KPI(s) until the achievement of the selected SPT(s) on its website[36]. This reporting will be made available within twelve months of each financial year end and could include information, on an aggregated basis, of the products and/or activities range/mix as evolution drivers of the KPI.

The annual reporting will include:

1. Bup-to-date information on the performance of the selected KPI(s), including baselines where relevant;
2. Any additional relevant information that enables investors to monitor the progress of each selected KPI towards the SPT(s);
3. A verification assurance report pertaining to the KPI, outlining the performance against the SPT(s);
4. Any information that enables investors to monitor the level of ambition of the SPT(s) (e.g. any update in the issuers sustainability strategy or on the related KPI/ESG governance, and more generally any other information relevant to the analysis of the KPI(s) and SPT(s).

The company will also include:

1. Qualitative or quantitative explanation of the contribution of the main factors, including M&A activity, behind the evolution of each selected KPI, on an annual basis;
2. Illustration of the positive sustainability impacts of the performance improvement;
3. Any re-assessments of KPIs and/or restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope, if relevant;
4. Updates on new or proposed regulations from regulatory bodies relevant to the KPI(s) and the SPT(s).

For each SPT, the company will disclose within the Sustainability-Linked Financing's legal documentation the following:

- A Target Observation Date, where the company's performance of each KPI against the predefined SPT will be observed.
- A Notification Date, where the company will report on the performance according to the SPT.

Repsol will report on the performance of each KPI against the predefined SPT within twelve months from the Target Observation Date.

8.2.5 Verification

Verification of the annual performance on the KPIs will be conducted to a limited assurance by the company's external auditor and disclosed within twelve months of each financial year end.

For all Sustainability-Linked Financing issuances under this Framework, the company's external auditor will provide a report with limited assurance at the Reference Date, confirming the performance against the SPTs and the related impact, the timing of such impact, on the Sustainability-Linked instrument's financial characteristics. This verification report will be disclosed within twelve months of each financial year end.

8.2.6 External review / Second Party opinion

Repsol has obtained a Second Party Opinion from S&P Global Ratings to evaluate this Sustainable Financing Framework, its transparency and governance as well as its alignment with the Green Bond Principles 2021 (with June 2022 Appendix 1), Green Loan Principles 2023, the Sustainability-Linked Bond Principles 2023, and the Sustainability-Linked Loan Principles 2023 as applicable, published by ICMA / LMA / LSTA / APLMA.

36 https://www.repsol.com/es/accionistas-inversores/renta-fija/index.cshtml

9. Amendments to this Framework

Repsol will review this Framework from time to time, including its alignment to updated versions of the relevant principles as and when they are released, with the aim of adhering to best practices in the market. Repsol will also review this Framework in case of material changes in the perimeter, methodology, and in particular the KPI and/or the SPT's calibration. Such review may result in this Framework being updated and amended.

The updates, if not minor in nature, will be subject to the prior approval of the second party opinion provider or any such other qualified provider of second party opinion. Any future updated version of this Framework that may exist will either keep or improve the current levels of transparency and reporting disclosures, including the corresponding review by an External Verifier. The updated Framework, if any, will be published on Repsol's website and will replace this Framework.